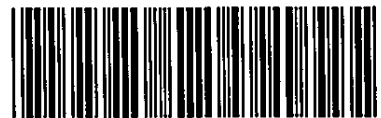


**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE PERIOD 1 APRIL 2010 TO 30 JUNE 2011
FOR
PARTHENON ENTERTAINMENT LIMITED**

SATURDAY



A13G316X

A12

25/02/2012

#154

COMPANIES HOUSE

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 APRIL 2010 TO 30 JUNE 2011**

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	4
Profit and Loss Account	5
Balance Sheet	6
Notes to the Financial Statements	7
Trading and Profit and Loss Account	17

PARTHENON ENTERTAINMENT LIMITED

COMPANY INFORMATION

FOR THE PERIOD 1 APRIL 2010 TO 30 JUNE 2011

DIRECTORS

C V Hall
C P Baldwin
C G Hodson
M J Shanks
D M Tipping

SECRETARY

C P Baldwin

REGISTERED OFFICE

Parthenon House
5 Station Approach
Chorleywood
Hertfordshire
WD3 5PF

REGISTERED NUMBER

04377175

AUDITORS.

Nunn Hayward
Chartered Accountants
Statutory Auditor
Sterling House
20 Station Road
Gerrards Cross
Buckinghamshire
SL9 8EL

PARTHENON ENTERTAINMENT LIMITED (REGISTERED NUMBER: 04377175)

REPORT OF THE DIRECTORS FOR THE PERIOD 1 APRIL 2010 TO 30 JUNE 2011

The directors present their report with the financial statements of the company for the period 1 April 2010 to 30 June 2011

PRINCIPAL ACTIVITY

The principal activity of the company in the period has continued to be that of the production and distribution of factual entertainment programmes, wildlife documentaries and children's programmes

REVIEW OF BUSINESS

The results for the period were positive considering the continued downturn in the global economy. The directors consider turnover and operating profit to be key performance indicators of the company. As shown in the profit and loss account, turnover has increased to £11.4m and operating profit has increased to £2.0m. The continued support of the company's lender, Coutts & Co, and the financial position of the company at the balance sheet date was considered sufficiently strong to support the business going forward.

The directors continue to take steps to exploit new revenue streams from the existing programme library and have taken all possible action to protect the business throughout the ongoing downturn in the global economy.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management and the company's finance department implements the policies set by the board of directors. In order to ensure that sufficient funds are available for expansion the company uses a combination of long term and short term debt finance.

DIVIDENDS

An interim ordinary dividend was paid amounting to £150,000. The directors do not recommend payment of a final dividend.

FUTURE DEVELOPMENTS

The company continues to build on its strong relationships with broadcasters, licensees and producers, built over the years as a result of its proven track record of delivering programmes of exceptional quality.

EVENTS SINCE THE END OF THE PERIOD

Information relating to events since the end of the period is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2010 to the date of this report.

C V Hall
C P Baldwin
C G Hodson
M J Shanks
D M Tipping

Other changes in directors holding office are as follows:

D E Jones ceased to be a director after 30 June 2011 but prior to the date of this report.

FINANCIAL RISK MANAGEMENT

The company's operations expose it to a limited level of credit and liquidity risk. There is little financial risk arising from the effects of changes in market prices of commodities as a result of its operations. The company actively maintains a treasury system that ensures that the company has sufficient available funds for operations and to support the business going forward.

New facilities have been agreed since the period end.

**REPORT OF THE DIRECTORS
FOR THE PERIOD 1 APRIL 2010 TO 30 JUNE 2011**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 elected to prepare 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,
- 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.

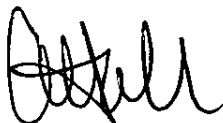
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Nunn Hayward, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

ON BEHALF OF THE BOARD.



C V Hall - Director

17 February 2012

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PARTHENON ENTERTAINMENT LIMITED

We have audited the financial statements of Parthenon Entertainment Limited for the period ended 30 June 2011 on pages five to sixteen. 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).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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.

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. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 June 2011 and of its profit for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.

Nunn Hayward

Daniel Palmer (Senior Statutory Auditor)
for and on behalf of Nunn Hayward
Chartered Accountants
Statutory Auditor
Sterling House
20 Station Road
Gerrards Cross
Buckinghamshire
SL9 8EL

Date *17 February 2012*

PARTHENON ENTERTAINMENT LIMITED (REGISTERED NUMBER: 04377175)

**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD 1 APRIL 2010 TO 30 JUNE 2011**

	Notes	Period 1 4 10 to 30 6 11 £	Year Ended 31 3 10 £
TURNOVER	2	11,423,917	8,982,773
Cost of sales		6,224,259	4,950,923
GROSS PROFIT		5,199,658	4,031,850
Administrative expenses		3,184,825	2,643,510
		2,014,833	1,388,340
Other operating income		13,650	239,601
OPERATING PROFIT	4	2,028,483	1,627,941
Interest receivable and similar income		-	1,570
		2,028,483	1,629,511
Interest payable and similar charges	5	555,321	338,929
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,473,162	1,290,582
Tax on profit on ordinary activities	6	434,912	530,982
PROFIT FOR THE FINANCIAL PERIOD		1,038,250	759,600

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current period or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current period or previous year

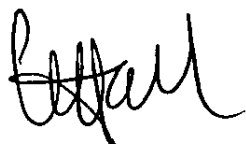
The notes form part of these financial statements

PARTHENON ENTERTAINMENT LIMITED (REGISTERED NUMBER: 04377175)

**BALANCE SHEET
30 JUNE 2011**

	Notes	2011		2010	
		£	£	£	£
FIXED ASSETS					
Intangible assets	8		15,000,111		12,861,605
Tangible assets	9		568,958		502,935
Investments	10		104		104
			<u>15,569,173</u>		<u>13,364,644</u>
CURRENT ASSETS					
Debtors	11	3,672,550		3,391,553	
Cash at bank and in hand		213,133		798,912	
		<u>3,885,683</u>		<u>4,190,465</u>	
CREDITORS					
Amounts falling due within one year	12	12,084,405		11,132,402	
NET CURRENT LIABILITIES			<u>(8,198,722)</u>		<u>(6,941,937)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			7,370,451		6,422,707
CREDITORS					
Amounts falling due after more than one year	13		(3,143,139)		(3,295,131)
PROVISIONS FOR LIABILITIES	16		<u>(1,004,632)</u>		<u>(793,146)</u>
NET ASSETS			<u><u>3,222,680</u></u>		<u><u>2,334,430</u></u>
CAPITAL AND RESERVES					
Called up share capital	17		100		100
Profit and loss account	18		3,222,580		2,334,330
SHAREHOLDERS' FUNDS	23		<u><u>3,222,680</u></u>		<u><u>2,334,430</u></u>

The financial statements were approved by the Board of Directors on 17 February 2012 and were signed on its behalf by



C V Hall - Director

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 APRIL 2010 TO 30 JUNE 2011**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

The company relies on the continued support of its bankers and the director, C V Hall. The accounts are prepared on the going concern basis on the assumption that such support will continue in the foreseeable future.

Preparation of consolidated financial statements

The financial statements contain information about Parthenon Entertainment Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Parthenon Media Group Limited, a company registered in England & Wales.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the parent company includes the subsidiary in its published financial statements.

Turnover

Turnover represents amounts receivable for production services and distribution fees net of VAT. Production fees are recognised as turnover when the film is available for delivery, except for films being produced on behalf of third parties, where income is recognised as costs are incurred. Distribution income represents the invoiced value of license fees less irrecoverable withholding tax and VAT.

Production and development costs

Production costs incurred in programming are capitalised in the balance sheet as intangible assets as they are incurred. Production costs are amortised to the Profit and Loss Account as a proportion of projected total turnover from each film.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Short leasehold	- Over the term of the lease
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 20% on cost

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. The deferred tax balance has not been discounted.

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce periodic rate of charge on the net obligation outstanding in each period.

Investments

Fixed asset investments are stated at cost less provision for diminution in value.

PARTHENON ENTERTAINMENT LIMITED (REGISTERED NUMBER: 04377175)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2010 TO 30 JUNE 2011

1 ACCOUNTING POLICIES - continued

Revenue recognition

The company's policy is to recognise TV distribution income and associated royalties payable when all of the following criteria are met

- a) a contract has been executed by both parties
- b) the relevant programmes have met all the necessary technical requirements
- c) delivery to the broadcaster has taken place
- d) the arrangement is fixed or determinable
- e) collection of the income is reasonably assured

Any fees received in advance, which do not meet all of the above criteria, are included in deferred income until the above criteria are met

2 TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company

An analysis of turnover by geographical market is given below

	Period 1 4 10 to 30 6 11 £	Year Ended 31 3 10 £
United Kingdom	1,243,948	1,288,972
Other European Union Markets	3,626,051	3,678,031
Rest of the World	6,553,918	4,015,770
	<u>11,423,917</u>	<u>8,982,773</u>

3 STAFF COSTS

	Period 1 4 10 to 30 6 11 £	Year Ended 31 3 10 £
Wages and salaries	2,065,497	1,454,709
Social security costs	290,562	148,779
	<u>2,356,059</u>	<u>1,603,488</u>

The average monthly number of employees during the period was as follows

	Period 1 4 10 to 30 6 11	Year Ended 31 3 10
Distribution	10	5
Production	19	18
Other	19	13
	<u>48</u>	<u>36</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2010 TO 30 JUNE 2011

3 STAFF COSTS - continued

Production employment costs of £398,651 (2010 £347,840) were capitalised during the period

The parent company set up a share-option scheme in December 2009 and four directors of the company on that date were granted share options over 16 ordinary shares each

The options can be exercised from December 2014 or on sale or listing of the company No options have lapsed in the period and no options were exercised

There are no performance conditions attached to the options and the exercise price is £1,983

The share options have been valued at grant date at £142 based on the Black-Scholes pricing model with the following assumptions

Weighted average share price	£1,983
Exercise price	£1,983
Expected volatility	20%
Expected life	5 years
Expected dividends	7.5%
Risk-free interest rate	3.48%

4 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	Period 1 4 10 to 30 6 11 £	Year Ended 31 3 10 £
Hire of plant and machinery	3,146	9,756
Other operating leases	145,109	138,988
Depreciation - owned assets	225,025	166,723
(Profit)/Loss on disposal of fixed assets	(16,000)	8,617
Film rights amortisation	2,905,134	2,149,604
Auditors' remuneration	11,000	7,000
Foreign exchange differences	106,229	(222,801)
	<u>573,571</u>	<u>283,737</u>
Directors' remuneration	<u>573,571</u>	<u>283,737</u>

Information regarding the highest paid director is as follows

	Period 1 4 10 to 30 6 11 £	Year Ended 31 3 10 £
Emoluments etc	<u>182,000</u>	<u>75,804</u>

PARTHENON ENTERTAINMENT LIMITED (REGISTERED NUMBER: 04377175)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2010 TO 30 JUNE 2011**

5 INTEREST PAYABLE AND SIMILAR CHARGES

	Period 1 4 10 to 30 6 11 £	Year Ended 31 3 10 £
Bank interest	492,440	303,361
Interest on other loans	30,805	15,017
Interest on overdue taxation	2,487	-
Hire purchase	29,589	20,551
	<u>555,321</u>	<u>338,929</u>

6 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the period was as follows

	Period 1 4 10 to 30 6 11 £	Year Ended 31 3 10 £
Current tax		
UK corporation tax	30,720	-
Foreign tax	29,681	-
Irrecoverable withholding tax	163,025	300,500
Total current tax	<u>223,426</u>	<u>300,500</u>
Deferred tax	<u>211,486</u>	<u>230,482</u>
Tax on profit on ordinary activities	<u>434,912</u>	<u>530,982</u>

UK corporation tax has been charged at 26%

Factors affecting the tax charge

The tax assessed for the period is lower than the standard rate of corporation tax in the UK. The difference is explained below

	Period 1 4 10 to 30 6 11 £	Year Ended 31 3 10 £
Profit on ordinary activities before tax	<u>1,473,162</u>	<u>1,290,582</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26% (2010 - 21%)	383,022	271,022
Effects of		
Non deductible expenses	644,779	24,123
Capital allowances	(37,289)	(120)
Tax losses utilised	(223,137)	66,628
Adjustments to previous periods	-	(4,675)
Intangibles	(495,586)	(296,990)
Other tax adjustments	(241,069)	(59,988)
Foreign tax	29,681	-
Irrecoverable withholding tax	163,025	300,500
Current tax charge	<u>223,426</u>	<u>300,500</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2010 TO 30 JUNE 2011**

6 TAXATION - continued

In the financial statements for the year ended 31 March 2010 irrecoverable withholding tax of £300,500 was previously disclosed within cost of sales. In these financial statements irrecoverable withholding tax has been reclassified and is disclosed in the 2010 tax charge above.

The company has estimated losses of £777,740 (2010: £810,272) available for carry forward against future trading profits.

7 DIVIDENDS

	Period 1 4 10 to 30 6 11 £	Year Ended 31 3 10 £
Interim	<u>150,000</u>	<u>150,000</u>

8 INTANGIBLE FIXED ASSETS

	Film rights £
COST	
At 1 April 2010	19,711,340
Additions	<u>5,043,640</u>
At 30 June 2011	<u>24,754,980</u>
AMORTISATION	
At 1 April 2010	6,849,735
Amortisation for period	<u>2,905,134</u>
At 30 June 2011	<u>9,754,869</u>
NET BOOK VALUE	
At 30 June 2011	<u>15,000,111</u>
At 31 March 2010	<u>12,861,605</u>

9 TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2010	106,200	983,565	152,741	39,128	1,281,634
Additions	-	234,916	56,132	-	291,048
Disposals	-	-	-	(29,128)	(29,128)
At 30 June 2011	<u>106,200</u>	<u>1,218,481</u>	<u>208,873</u>	<u>10,000</u>	<u>1,543,554</u>
DEPRECIATION					
At 1 April 2010	49,694	624,146	75,285	29,574	778,699
Charge for period	13,275	161,990	41,716	8,044	225,025
Eliminated on disposal	-	-	-	(29,128)	(29,128)
At 30 June 2011	<u>62,969</u>	<u>786,136</u>	<u>117,001</u>	<u>8,490</u>	<u>974,596</u>
NET BOOK VALUE					
At 30 June 2011	<u>43,231</u>	<u>432,345</u>	<u>91,872</u>	<u>1,510</u>	<u>568,958</u>
At 31 March 2010	<u>56,506</u>	<u>359,419</u>	<u>77,456</u>	<u>9,554</u>	<u>502,935</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2010 TO 30 JUNE 2011

9 TANGIBLE FIXED ASSETS - continued

Included above are assets held under finance leases or hire purchase contracts as follows

	Plant and Machinery £	Motor Vehicles £	Total £
Net Book Values			
At 30 June 2011	204,121	-	204,121
At 31 March 2010	172,572	5,543	178,115
Depreciation charge for the year			
At 30 June 2011	54,624	5,543	60,167
At 31 March 2010	53,533	5,835	59,368

10 FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 April 2010 and 30 June 2011	104
NET BOOK VALUE	
At 30 June 2011	104
At 31 March 2010	104

The company's investments at the balance sheet date in the share capital of companies include the following

Barbershop Sound Studios Limited

Nature of business Audio post production

	% holding	2011 £	2010 £
Class of shares	100 00		
Ordinary			
Aggregate capital and reserves		35,565	21,721
Profit/(Loss) for the period/year		13,844	(1,325)

Cymru International Limited

Nature of business Distribution and Licensing

	% holding	2011 £	2010 £
Class of shares	100 00		
Ordinary			
Aggregate capital and reserves		182,476	26,338
Profit for the period/year		156,138	73,425

PARTHENON ENTERTAINMENT LIMITED (REGISTERED NUMBER: 04377175)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2010 TO 30 JUNE 2011**

10 FIXED ASSET INVESTMENTS - continued

Cymru International 2 Limited

Nature of business Distribution and Licensing

Class of shares	% holding 100 00	2011 £	2010 £
Ordinary			
Aggregate capital and reserves		(306)	(304)
Profit for the period/year		-	1,842

11 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Trade debtors	2,293,451	2,322,359
Amounts owed by group undertakings	65,213	315,565
Amounts owed by participating interests	800	-
Other debtors	99,337	23,038
VAT	77,121	109,375
Prepayments and accrued income	1,136,628	621,216
	<u>3,672,550</u>	<u>3,391,553</u>

12 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Bank loans and overdrafts (see note 14)	5,212,602	5,463,944
Other loans (see note 14)	200,609	323,802
Hire purchase contracts (see note 15)	86,655	98,765
Trade creditors	1,613,043	1,200,054
Amounts owed to group undertakings	1,579,700	1,253,794
Social security and other taxes	75,522	69,913
Other creditors	335,866	56,384
Directors' current accounts	138,000	138,000
Accruals and deferred income	2,842,408	2,527,746
	<u>12,084,405</u>	<u>11,132,402</u>

The bank borrowings are secured on the assets of the company and assets of the other companies within the group headed by Parthenon Media Group Limited. The director, Carl Hall, has also provided a personal guarantee limited to £1.35 million. Liabilities of Barbershop Sound Studios Limited amounting to £90,401, 422 South Limited amounting to £83,693, Cymru International 2 Limited amounting to £27,395 and Parthenon Media Group Limited amounting to £518,319, at the balance sheet date, are secured on the assets of the company.

13 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2011 £	2010 £
Bank loans (see note 14)	3,000,000	3,000,000
Other loans (see note 14)	105,824	218,527
Hire purchase contracts (see note 15)	37,315	76,604
	<u>3,143,139</u>	<u>3,295,131</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2010 TO 30 JUNE 2011**

14 LOANS

An analysis of the maturity of loans is given below

	2011 £	2010 £
Amounts falling due within one year or on demand		
Bank overdrafts	5,212,602	5,463,944
Other loans	200,609	323,802
	<u>5,413,211</u>	<u>5,787,746</u>
Amounts falling due between one and two years		
Bank loans - 1-2 years	<u>3,000,000</u>	<u>3,000,000</u>
Amounts falling due between two and five years		
Other loans - 2-5 years	<u>105,824</u>	<u>218,527</u>

Interest is charged on the loans at a rate which is equivalent to 4.00% per annum over the Bank's Base Rate

15 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	2011 £	Hire purchase contracts 2010 £
Net obligations repayable		
Within one year	86,655	98,765
Between one and five years	37,315	76,604
	<u>123,970</u>	<u>175,369</u>

The following operating lease payments are committed to be paid within one year

	2011 £	Land and buildings 2010 £
Expiring		
Between one and five years	48,000	48,000
In more than five years	34,495	34,495
	<u>82,495</u>	<u>82,495</u>

16 PROVISIONS FOR LIABILITIES

	2011 £	2010 £
Deferred tax	<u>1,004,632</u>	<u>793,146</u>

PARTHENON ENTERTAINMENT LIMITED (REGISTERED NUMBER: 04377175)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2010 TO 30 JUNE 2011

16 PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 1 April 2010	793,146
Profit and loss account	211,486
Balance at 30 June 2011	<u>1,004,632</u>

	2011 £	2010 £
Accelerated capital allowances	18,029	14,854
Other timing differences	1,136,735	1,106,221
Tax losses available	(150,132)	(327,929)
	<u>1,004,632</u>	<u>793,146</u>

17 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value £1	2011 £	2010 £
100	Ordinary		<u>100</u>	<u>100</u>

18 RESERVES

	Profit and loss account £
At 1 April 2010	2,334,330
Profit for the period	1,038,250
Dividends	(150,000)
At 30 June 2011	<u>3,222,580</u>

19 TRANSACTIONS WITH DIRECTORS

During the period the company paid rent of £92,533 (2010 £74,883) on properties owned by C V Hall and his wife

Included within trade creditors is £28,074 (2010 £71,129) owed to C V Hall and his wife

Included within creditors due within one year is £138,000 (2010 £138,000) and £105,824 (2010 £218,527) due in more than one year, advanced to the company by C V Hall and his wife upon which interest of £30,805 (2010 £15,017) was due

20 RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company, Parthenon Media Group Limited

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2010 TO 30 JUNE 2011

21 POST BALANCE SHEET EVENTS

On 19 July 2011, the company's bankers, Coutts & Co, agreed to provide new facilities to the company comprising an on demand loan agreement of £5.75m and a multi-currency net overdraft facility. The overdraft facility was made available to the company and other members of the group headed by the parent company, Parthenon Media Group Limited. The existing available security as disclosed in note 12 applies to these new facilities.

On 3 February 2012, the review date of these facilities by the bank was extended to 31 July 2012. For this reason, the loan facilities that existed at 30 June 2011 under former arrangements has been disclosed as falling due in more than one year.

22 ULTIMATE CONTROLLING PARTY

The company is a wholly owned subsidiary undertaking of Parthenon Media Group Limited which is owned by C V Hall and his wife.

23 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
Profit for the financial period	1,038,250	759,600
Dividends	(150,000)	(150,000)
Net addition to shareholders' funds	888,250	609,600
Opening shareholders' funds	2,334,430	1,724,830
Closing shareholders' funds	3,222,680	2,334,430