

Company Registration No: 08225516

24/7 LONDON (GROUP) UK LTD

**Report and Financial Statements
53 Weeks ended 30th September 2014**



24/7 LONDON (GROUP) UK LTD

REPORT AND FINANCIAL STATEMENTS:

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24/7 LONDON (GROUP) UK LTD

REPORT AND FINANCIAL STATEMENTS 2014:

OFFICERS AND PROFESSIONAL ADVISERS

Director

Mr Bradley Silver

Registered Office

**Berkeley Square House
Berkeley Square
London
W1J 6BD**

Banker(s)

**Barclay Bank Plc
11 Bruton Street
Mayfair South
London
W1J 6LA**

Solicitor(s)

**Mishcon de Reya
Summit House
12 Red Lion Square
London
WC1R 4QD**

**Reed Smith Richards Butler LLP
Beaufort House
15 St Botolph Street
London
EC3A 7EE**

Auditor(s)

**Michael O'Brien & Co
Chartered Accountants
Suite 284
2 Lansdown Row
London
W11 6HL**

**Deloitte LLP
Chartered Accountants
Abbots House
Abbey Street
Reading
RG1 3BD**

Tax Adviser(s)

**KPMG LLP
Arlington Business Park
Theale RG1 4SD**

24/7 LONDON (GROUP) UK LTD

DIRECTOR REPORT:

The Director(s) present their annual report and the audited financial statements for the 53 weeks ended 30th September 2014.

Activate(s)

24/7 London (Group) UK Ltd, continue stream line editing, visual editing all major reality TV shows, feature films, TV adverts, pop videos, sync 2 sync picture(s) and all company business 2 business corporations. The principal area of business activity is in the United Kingdom.

Business Review

The primary purpose of the company is to provide editing and stream line editing to other group companies in the media sector. The majority of turnover comprises of work carried out year on year with work for reality TV shows for the United Kingdom, and other sectors in TV adverting, plus corporate business(s). In the current year the turnover from other group media sectors grew from £3,595,313 to £4,735,478 despite the economic conditions which prevailed at the close of the financial year. The demand for these activities and further projects plus services grew marginally. The key performance indicator for the company is therefore based on expansion to other media territories and further investment into the business; this is the main contributor for growth in the media entertainment.

Risks and Uncertainties

The principal risks and uncertainties of the company are intrinsically linked to the other Media group companies. Their performance continues to be strong and there is not considered to be significant risk to the company's continuing profitability. The company is not considered to be at significant risk from environmental of external influences. The company has no significant borrowings or foreign exchange exposure.

Going Concern

The company 24/7 London (Group) UK Ltd has considerable financial resources. As a consequence, the director believes that the company is well placed to manage its business risks successfully.

The director have a reasonable expectation that the company and group have adequate resources to continue in operational existence for the foreseeable future, Thus, the director continue to adopt the going concern basis in preparing the annual report and accounts.

Future Prospects

The company will continue progressing for future projects in all media territories in world domination; this will sustain the level of revenue and profits in the following years.

24/7 LONDON (GROUP) UK LTD

DIRECTOR REPORT (CONTINUED):

Director

The director who served during the period are shown on page 1

Charitable Donations

During the period, the company made donations for charitable purposes which to £127,432 (2014 £ 119,112) No political donations were made (2013-£nil)

Employee Involvement

The director ensures that the employees are informed of any significant matters affecting them as employees. Employees are encouraged to discuss with management factors affecting the company, about which they are concerned.

Suggestions from employees aimed at improving the company's performance are welcomed.

Employment of Disabled Persons

The company recognises its social and statutory duty to employ disabled persons. It is the company's policy to give full and fair consideration to applications for employment from disabled persons.

The company's general policy on training and promotion is to fit the qualifications and potential of each member of its staff to the appropriate job and career in the business. The policy is applied to disabled persons in the same way as to other staff.

Where employees become disabled, the company endeavours to continue to employ such people, retraining them where appropriate, provided there are duties which they can perform considering the particular handicap or disability.

Auditors

Each of the persons who is a director at the date of approval of this report confirms that

- So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and***
- The director has taken all steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.***

This confirmation is given and should be interpreted in accordance with provisions of s418 of Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditors. The company passed elective resolutions dispensing with the requirements to hold annual general meetings and to re-appoint auditors annually.

***Approved by the board of Director(s)
and signed on behalf of the Board***



**B Silver
Director
11th September 2014**

24/7 LONDON (GROUP) UK LTD

STATEMENT OF DIRECTOR RESPONSIBILITIES

The director is responsible for preparing the Annual Report and financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director 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 company for that period. In preparing these financial statements, the director is required to

- Select suitable accounting policies and then apply them consistently,*
- Make judgments and accounting estimates that are reasonable and prudent,*
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and*
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.*

The director is 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 24/7 LONDON (GROUP) UK LTD

We have audited the financial statements of 24/7 London (Group) UK Ltd 53 weeks ended 30th September 2014 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 20. 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 required to state to them in an auditor's report 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 Directors Responsibilities Statement, 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 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 (APB'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.

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 30th May 2015 and of its profit for the year 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 Companies Act 2006

In our opinion the information given in the Director Report 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 matter 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 us visiting you, or***
- ***The financial statements are not in agreement with the accounting records and returns, or***
- ***Certain disclosures of director remuneration specified by law are not made, or***
- ***We have not received all the information and explanations we require for our audit.***

A handwritten signature in black ink, appearing to read 'Susan Barratt', with a long horizontal line extending to the right.

***Susan Barratt, BA ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP***

Chartered Accountants and Statutory Auditors

Reading, United Kingdom

11th September 2014

24/7 LONDON (GROUP) UK LTD

PROFIT AND LOSS ACCOUNT

53 weeks ended 30th September 2014

	Note	53 weeks ended 30 th Sep 2014 £'000	52 weeks ended 28 th Sep 2013 £'000
TURNOVER	2	4,735,478 (175,835)	3,595,313 (161,483)
GROSS PROFIT		4,559,643	3,433,830
Distribution Costs		(31,173)	(31,284)
Administrative Expenses		(4,187,270)	(3,178,112)
OPERATING PROFIT	3	72,578	69,324
Dividend Income		1,193	-
Interest Receivable and Similar Income	5	7,295	9,824
Interest Payable and Similar Charges	6	(49)	(20)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		184,066	179,148
Tax on profit on ordinary activities	7	(91,535)	(78,877)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		92,531	100,271

All amounts derive from continuing operations

There were no recognised gains or losses other than those shown in profit and loss account above. Accordingly, no Statement of Total Recognised Gains and Losses has been presented.

24/7 LONDON (GROUP) UK LTD

BALANCE SHEET **30th September 2014**

	Note	53 weeks ended 30 th Sep 2014 £'000	52 weeks ended 28 th Sep 2013 £'000
FIXED ASSETS			
Tangible Assets	9	2,482,348	2,187,624
Investments	10	-	-
		<u>2,482,348</u>	<u>2,187,624</u>
CURRENT ASSETS			
Debtors	11	1,174,704	1,154,040
Cash at bank and in hand		2,393,540	2,205,829
		<u>3,568,244</u>	<u>3,359,869</u>
CREDITORS amounts falling due within one year	12	<u>(112,836)</u>	<u>(111,725)</u>
NET CURRENT ASSETS		<u>1,105,408</u>	<u>964,070</u>
NET ASSETS		<u>1,683,284</u>	<u>1,631,805</u>
CAPITAL AND RESERVES			
Called up share capital	14	11	11
Profit and loss account		<u>683,273</u>	<u>631,794</u>
SHAREHOLDERS FUNDS	15	<u>683,284</u>	<u>631,805</u>

The financial statements of 24/7 London (Group) UK Ltd, registration number 08225516 were approved by the Board of Director(s) on 11th September 2014.

Signed on behalf of the Board of Director(s)



Mr Bradley Silver
Director

24/7 LONDON (GROUP) UK LTD
NOTES TO THE ACCOUNTS
53 weeks ended 30th September 2014

ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards.

The particular accounting policies adopted are described below.

Accounting Convention

The financial statements are prepared under the historical cost convention

Going Concerns

The company and 24/7 London (Group) UK Ltd have considerable financial resources. As a consequence, the director believes that the group is well placed to manage its business risks successfully despite the current economic outlook.

The director has a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Thus, the director continues to adopt the going concern basis in preparing the annual report and accounts.

Cash Flow Statement

Under FRS1 "Cash Flow Statements" the company is exempt from the requirement to prepare a cash flow statement on the grounds that parent undertaking includes the company in its own published consolidated financial statements.

Fixed Assets

Fixed assets are stated in the balance sheet at cost less accumulated depreciation. Provision is made for any permanent diminution in value.

Depreciation is calculated so as to write off the cost, less residual value of fixed assets on a straight line basis over their expected useful lives at the following rates

<i>Office Equipment, Furniture and Fittings</i>	<i>33% per annum</i>
<i>Computer and Technical Equipment, plus</i>	
<i>Studio/Film Editing Equipment</i>	<i>33% to 100% per annum</i>
<i>Leasehold Improvements</i>	<i>over the period of the lease</i>

Residual value is calculated on prices prevailing at the date of acquisition

Financial Year

The financial year is the fifty two or fifty three week period ending on the Friday closest to 28 August 2014

Leases

Rental costs under operating leases are charged to the profit and loss account in equal annual amounts over the period of the lease.

24/7 LONDON (GROUP) UK LTD

NOTES TO THE ACCOUNTS

53 weeks ended 30th September 2014

ACCOUNTING POLICIES (CONTINUED)

Pension Scheme

The company operates a defined contribution pension scheme. The amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown either as accruals or prepayments in the balance sheet.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is recognised without discounting, in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all the available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Investments

Investments held as fixed assets are stated at cost less any provision for impairment in value

Foreign Currencies

Transactions in foreign currencies during the year are translated into sterling at the average rate ruling for the month of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates of exchange at the balance sheet date. All exchange gains and losses are taken to the profit and loss account.

TURNOVER

Turnover represents amounts received and receivable, excluding value added tax, in respect of services provided during the period. Turnover, all of which arises in the United Kingdom, is attributable to one activity, the editing, steaming, and film making, amongst other media activities. It includes commission receivable by the company under agreements with a fellow subsidiary.

53 weeks ended 30th Sep 2014 £'000	52 weeks ended 28th Sep 2013 £'000
191,245	178,045
4,644,233	3,517,268
4,735,478	3,595,313

24/7 LONDON (GROUP) UK LTD
NOTES TO THE ACCOUNTS
53 weeks ended 30th September 2014

OPERATING PROFIT

	53 weeks ended 30th Sep 2014 £'000	52 weeks ended 28th Sep 2013 £'000
Operating profit is stated after charging/(crediting):		
Rentals under operating leases		
Other operating leases	19,130	19,100
Depreciation –Owned Assets	7,712	8,654
Foreign Exchange Loss/(Gain)	281	(227)
Auditors' Remuneration		
-Audit Services	84	91
-Non-Audit Services	3	3
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INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	53 weeks ended 30th Sep 2014 £'000 No.	52 weeks ended 28th Sep 2013 £'000 No.
Average number of person(s) employed (Including Director):		
Editors		
Streaming Editors		
Production		
Personal Administration		
Administration	73	59
Distribution/Sales	47	26
	-----	-----
	120	85
	-----	-----

	53 weeks ended 30th Sep 2014 £'000	52 weeks ended 28th Sep 2013 £'000
Staff Costs (Including Directors):		
Wages and Salaries	1,269,238	1,234,657
Social Security Costs	128,717	125,508
Pension	38,736	25,717
Share Based Payments (note 18)	29,020	25,373
	-----	-----
	1,465,711	1,411,225
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24/7 LONDON (GROUP) UK LTD
NOTES TO THE ACCOUNTS
53 weeks ended 30th September 2014

INFORMATION REGARDING DIRECTOR(S) AND EMPLOYEES (CONTINUED)

The remaining director(s) received their remuneration for services to group companies from 24/7 London (Group) UK Ltd. The proportion of their remuneration that was allocated to their services to 24/7 London (Group) UK Ltd was £nil

During the prior year all the director(s) received their remuneration for services to group companies from 24/7 London (Group) UK Ltd. The proportion of this remuneration that is allocated to their services to 24/7 London (Group) UK Ltd is £nil.

INTEREST RECEIVABLE AND SIMILAR INCOME

	53 weeks ended 30th Sep 2014 £'000	52 weeks ended 28th Sep 2013 £'000
<i>Bank Interest</i>	335	1,266
<i>Interest Receivable From Company</i>	6,960	7,258
<i>Other</i>	-	1,300
	<hr/> 7,295 <hr/>	<hr/> 9,824 <hr/>

INTEREST PAYABLE AND SIMILAR CHARGES

	53 weeks ended 30th Sep 2014 £'000	52 weeks ended 28th Sep 2013 £'000
<i>Interest Payable to group undertakings</i>	49	20
	<hr/> 49 <hr/>	<hr/> 20 <hr/>

24/7 LONDON (GROUP) UK LTD
NOTES TO THE ACCOUNTS
53 weeks ended 30th September 2014

TAX ON PROFIT ON ORDINARY ACTIVITIES

	53 weeks ended 30th Sep 2014 £'000	52 weeks ended 28th Sep 2013 £'000
<i>United Kingdom Corporation Tax</i>	126,678	125,193
<i>Adjustment in respect of prior years</i>	(1,172)	(512)
<i>Total Current Tax</i>	125,506	124,681
<i>Deferred Tax (note 13)</i>	(1,860)	285
	123,646	124,966

Reconciliation to current tax change

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 21% (2014 20%). The actual tax charge for current and previous years differs from the standard rate for the reasons set out in the following reconciliation.

	53 weeks ended 30th Sep 2014 %	52 weeks ended 28th Sep 2013 %
<i>Corporation Tax at Standard Rate</i>	21	20
<i>Capital Allowances in excess of depreciation</i>	-	-
<i>Other Short term timing differences</i>	1	-
<i>Prior Year Adjustments</i>	(1)	(1)
<i>Permanent Adjustments</i>	2	2
<i>Total Current Tax Charge</i>	23	21

The standard rate of tax used in the above reconciliation is the average United Kingdom corporation tax rate for period concerned as the vast majority of taxable income arises there.

DIVIDENDS

	53 weeks ended 30th Sep 2014 £'000	52 weeks ended 28th Sep 2013 £'000
<i>Paid-£6,934 per equity ordinary share (2014 £nil per equity ordinary share)</i>	104,000	

24/7 LONDON (GROUP) UK LTD
NOTES TO THE ACCOUNTS
53 weeks ended 30th September 2014

TANGIBLE FIXED ASSETS

	Office Equipment, Furniture and Fittings External Studio Devices	Computer(s) Editing Technical Equipment Cameras & Lighting	Leasehold Improve- ments	Total
	£'000	£'000	£'000	£'000
Cost				
At 28 th Sep 2013	122,345	2,482,348	11,873	2,494,221
Additions	7,227	13,017	743	20,987
Disposals	(6)	(23)	-	(29)
At 30 th Sep 2014	122,566	2,495,342	12,616	2,515,179
Accumulated Depreciation				
At 28 th Sep 2013	29,273	29,332	3,477	62,082
Charge for the period	3,336	4,166	210	7,712
Disposals	(6)	(103)	-	(109)
At 30 th Sep 2014	32,603	33,395	3,687	69,685
Net Book Value				
At 28 th Sep 2013	11,900	3,855	929	16,684
At 30 th Sep 2014	12,900	5,004	396	17,409

DEBTORS

	2014 £'000	2013 £'000
Trade debtors	22,446	20,658
Amounts owed by fellow group undertakings	202,144	191,806
Other debtors	2,291	7,652
Prepayments and accrued income	14,240	5,201
Deferred tax asset (note 13)	9,583	7,723
	250,704	233,040

Interest is received on amounts owed by group undertakings except short-term balances using a Reuter's 12-month interest rate.

24/7 LONDON (GROUP) UK LTD
NOTES TO THE ACCOUNTS
53 weeks ended 30th September 2014

CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£'000	£'000
Trade Creditors	9,527	10,284
Corporation Tax	6,778	6,871
Other Creditors	3,433	682
Other Taxation and Social Security	17,889	16,831
Accruals and Deferred Income	86,690	86,045
Amounts owing to Fellow Group Undertakings	5,546	-
	<hr/> 129,863	<hr/> 120,713

Interest is paid on amounts owed to group undertakings except short-term trading balances using a Reuter's 12-month interest rate.

DEFERRED TAX

The deferred tax asset consists of the following amounts

	2014	2013
	£'000	£'000
Depreciation in excess of capital allowances	2,809	2,928
Share based payments	6,774	4,795
	<hr/> 9,583	<hr/> 7,723

	£'000
Balance at 28 th Sep 2013	7,723
Charged to the profit and loss in the period	1,860
Balance at 30 th Sep 2014	<hr/> 9,583

CALLED UP SHARE CAPITAL

	2014	2013
	£'000	£'000
Authorised, called up, allotted and fully paid		
15,000 ordinary shares of £1 each.	<hr/> 15	<hr/> 15

24/7 LONDON (GROUP) UK LTD
NOTES TO THE ACCOUNTS
53 weeks ended 30th September 2014

OPERATING LEASE COMMITMENTS

At 30th September 2014 the company was committed to making the following payments during the next year in respect of operating leases.

	Land and Buildings	
	2014 £'000	2013 £'000
Operating leases which expire		
Within 1 year	1,017	275
Between 2 and 5 years inclusive	2,503	283
After 5 years (Monthly)	21,518	20,407
	-----	-----
	25,038	20,965
	-----	-----