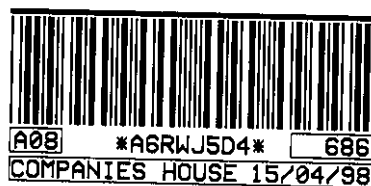


PREMIER PROGRAMMING LIMITED
ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 1997
COMPANY REGISTERED NUMBER: 2811849



JPC Financial Limited
Dukes Court
Duke Street
Woking

PREMIER PROGRAMMING LIMITED
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED
30TH JUNE 1997

C O N T E N T S

<u>Page</u>	
1	Company Particulars
2 to 4	Report of the Director
5	Profit and Loss Account
6	Balance Sheet
7 to 11	Notes to the Accounts

PREMIER PROGRAMMING LIMITED

COMPANY PARTICULARS

BANKERS

NATIONAL WESTMINSTER BANK PLC
21 LOMBARD STREET
LONDON
EC3P 3AR

FINANCIAL ADVISERS

JPC FINANCIAL LIMITED
DUKES COURT
DUKE STREET
WOKING
SURREY
GU21 5XB

PREMIER PROGRAMMING LIMITED

REPORT OF THE DIRECTOR **YEAR ENDED 30TH JUNE 1997**

Director: J E Outhwaite

Secretary: C C Outhwaite

Registered Office: Roseberry House, Westbourne, Emsworth, Hants PO10 8UN

The Director presents his Annual Report to the members together with the accounts for the year ended 30th June 1997.

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS DEVELOPMENT

The principal activity of the Company in the year under review continued to be that of computer consultancy services.

A summary of the results is given in the Profit and Loss Account on page 5 of these Accounts.

The Director expects the Company to maintain a similar level of operations during the coming year.

RESULTS AND DIVIDENDS

Interim dividends totalling £60,000 (1996 - £20,000) were paid during the year. The Director does not recommend the payment of a final dividend (1996 - £20,000). The net profit for the year attributable to shareholders amounts to £61,372 (1996 - £54,140).

FIXED ASSETS

Movements in fixed assets are shown in Note 10 to these Accounts.

PREMIER PROGRAMMING LIMITED

REPORT OF THE DIRECTOR - (CONTINUED) **YEAR ENDED 30TH JUNE 1997**

DIRECTOR

The Director who held office during the year ended 30th June 1997 was as noted above. Directors are not required to retire by rotation under the terms of the Memorandum and Articles of Association of the Company.

DIRECTOR'S INTERESTS

According to the register maintained as required under the Companies Act 1985, the Director's interest in the Share Capital of the Company was as follows:-

	Ordinary Shares of £1 Each	
	<u>1997</u>	<u>1996</u>
J E OUTHWAITE	<u>100</u>	<u>100</u>

DIRECTOR'S RESPONSIBILITY FOR THE ACCOUNTS

Company law requires the Director 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 and loss of the Company for that year. In preparing these Accounts, the Director is required to:-

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the Accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the Accounts comply with Section 221 of the Companies Act 1985. He is also responsible for safeguarding the assets of the Company and hence for taking responsible steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE DIRECTOR - (CONTINUED)
YEAR ENDED 30TH JUNE 1997

No auditors were appointed.

By Order of the Board,

Secretary/Director*

* Delete as appropriate

DATE: 12 April 1998

PREMIER PROGRAMMING LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE 1997

	<u>Notes</u>	Continuing Operations <u>1997</u> £	Continuing Operations <u>1996</u> £
TURNOVER	2	100,119	97,890
Cost of Sales		(8,403)	(9,333)
GROSS PROFIT		91,716	88,557
Administrative expenses		(8,834)	(9,555)
Other operating expenses		(3,152)	(7,534)
OPERATING PROFIT	3	79,730	71,468
Interest payable and similar charges	4	(205)	(174)
Interest receivable	5	<u>452</u>	<u>670</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		79,977	71,964
TAXATION ON ORDINARY ACTIVITIES	8	(18,605)	(17,824)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		61,372	54,140
DIVIDENDS	9	(60,000)	(40,000)
PROFIT FOR THE FINANCIAL YEAR		<u>1,372</u>	<u>14,140</u>

Movements on reserves are set out in Note 14.

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

The notes on pages 7 to 11 form an integral part of these accounts.

PREMIER PROGRAMMING LIMITED


BALANCE SHEET AS AT 30TH JUNE 1997

	Notes	<u>1997</u> £	<u>1996</u> £
FIXED ASSETS			
Tangible Assets	10	<u>3,805</u>	<u>5,073</u>
CURRENT ASSETS			
Debtors	11	26,451	19,460
Bank and cash balances		<u>28,691</u>	<u>28,626</u>
		55,142	48,086
CREDITORS: Amounts falling due within one year	12	<u>(32,093)</u>	<u>(27,677)</u>
NET CURRENT ASSETS		<u>23,049</u>	<u>20,409</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		26,854	25,482
PROVISION FOR LIABILITIES AND CHARGES		<u>-</u>	<u>-</u>
TOTAL ASSETS LESS LIABILITIES		<u>26,854</u>	<u>25,482</u>
CAPITAL AND RESERVES			
Called up share capital	13	100	100
Profit & Loss Account	14	<u>26,754</u>	<u>25,382</u>
		<u>26,854</u>	<u>25,482</u>

The notes on pages 7 to 11 form an integral part of these accounts.

- i) The Director acknowledges his responsibility for keeping accounting records which comply with Section 221 of the Companies Act 1985.
- ii) The Director acknowledges his responsibility for preparing accounts which give a true and fair view of the company and of its profit for the year ended 30th June 1997 in accordance with the requirements of Section 226 of the Companies Act 1985 and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to this company.

During the year ended 30th June 1997 the Company was entitled to the exemption conferred by subsection (1) of Section 249A of the Companies Act 1985 and have not appointed auditors. No notice has been deposited under subsection (2) of Section 249B in relation to its Accounts for the financial year. In the opinion of the Director the Company is entitled to these exemptions on the basis that it qualifies as a small Company.

.....  Director.

..... 12 April 98 Date.

PREMIER PROGRAMMING LIMITED

NOTES TO THE ACCOUNTS **YEAR ENDED 30TH JUNE 1997**

1. ACCOUNTING POLICIES

(a) Accounting Convention

The Accounts have been prepared under the historical cost convention.

(b) Tangible Fixed Assets

Depreciation is provided to write off the cost of each asset over its expected useful life by annual instalments. The rates of depreciation are as follows:-

Motor Vehicles	25% per annum
Office Equipment	25% per annum

(c) Turnover

Turnover represents amounts invoiced in respect of goods and services provided during the year, exclusive of Value Added Tax.

(d) Deferred Taxation

Deferred Taxation is provided at current tax rates on differences arising from the inclusion of income and expenditure in taxation computations in periods different from those in which they are included in the Accounts, except where the tax reduction is expected to continue for the foreseeable future.

(e) Cash Flow Statements

The Company satisfies the requirements of a small company under S.246 - S.249 of the Companies Act 1985 and has taken advantage of the exemption detailed in paragraph 8 of FRS1 in not preparing a cash flow statement.

2. TURNOVER

The turnover and profit before taxation are wholly attributable to the principal activity of the Company and arose wholly within the United Kingdom.

PREMIER PROGRAMMING LIMITED

NOTES TO THE ACCOUNTS **YEAR ENDED 30TH JUNE 1997 - (CONTINUED)**

3. OPERATING PROFIT

This is stated after charging:

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Depreciation of owned assets	1,268	1,691
Director's remuneration (note 6)	13,525	13,525
Auditor's remuneration	<u>-</u>	<u>250</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

Interest payable on bank overdrafts repayable within 5 years	205	174
Hire purchase interest	<u>-</u>	<u>-</u>

5. OTHER INCOME

Other income comprises interest receivable	<u>452</u>	<u>670</u>
--	------------	------------

6. DIRECTOR'S REMUNERATION

Management remuneration	7,500	7,500
Pension contributions	<u>6,025</u>	<u>6,025</u>
	<u>13,525</u>	<u>13,525</u>
Chairman and highest paid Director	<u>13,525</u>	<u>13,525</u>

PREMIER PROGRAMMING LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 1997 - (CONTINUED)

7. EMPLOYEES

The average number of employees (including Directors) during the year was as follows:-

	<u>1997</u>	<u>1996</u>
Sales and consultancy	1	1
Administration	-	-
	<u>1</u>	<u>1</u>

The aggregate payroll costs of these employees were as follows:-

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Wages and salaries	7,500	7,500
Social security costs	375	375
Other pension costs	-	-
	<u>-</u>	<u>-</u>

8. TAXATION ON ORDINARY ACTIVITIES

The taxation charge for the year comprises:

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
UK Corporation taxation at 24%/21% (1996 - 25%/24%) based on the adjusted results for the year	18,605	17,824
	<u>-</u>	<u>-</u>

9. DIVIDEND

Interim - £600 (1996 - £200) paid per share	60,000	20,000
Proposed final £Nil (1996 - £200) per share	-	20,000
	<u>60,000</u>	<u>40,000</u>

PREMIER PROGRAMMING LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 1997 - (CONTINUED)

10.	<u>TANGIBLE ASSETS</u>	<u>OFFICE EQUIPMENT</u>	<u>TOTAL</u>
		<u>£</u>	<u>£</u>
	<u>COST</u>		
	As at 1st July 1996		
	and		
	As at 30th June 1997	<u>9,426</u>	<u>9,426</u>
	<u>DEPRECIATION</u>		
	As at 1st July 1996	4,353	4,353
	Charge for the year	<u>1,268</u>	<u>1,268</u>
	As at 30th June 1997	<u>5,621</u>	<u>5,621</u>
	<u>NET BOOK VALUES</u>		
	As at 30th June 1997	<u>3,805</u>	<u>3,805</u>
	As at 30th June 1996	<u>5,073</u>	<u>5,073</u>
11.	<u>DEBTORS</u>	<u>1997</u>	<u>1996</u>
		<u>£</u>	<u>£</u>
	Trade debtors	11,051	9,065
	Other debtors - ACT Recoverable	15,000	10,000
	- Prepayments	<u>400</u>	<u>395</u>
		<u>26,451</u>	<u>19,460</u>

All debtors are recoverable within one year

PREMIER PROGRAMMING LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 1997 - (CONTINUED)

12.	<u>CREDITORS:</u> Amounts falling due within one year	<u>1997</u> £	<u>1996</u> £
	Bank overdraft	3,324	-
	Taxation and Social Security	28,421	27,224
	Accruals	250	250
	Director's Loan Account	98	203
		<u>32,093</u>	<u>27,677</u>
13.	<u>CALLED UP SHARE CAPITAL</u>		
	Authorised:		
	1000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
	Issued and fully paid:		
	100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
14.	<u>PROFIT AND LOSS ACCOUNT</u>		
	Balance at 1st July 1996	25,382	11,242
	Profit for year	<u>1,372</u>	<u>14,140</u>
	Balance at 30th June 1997	<u>26,754</u>	<u>25,382</u>
15.	<u>RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS</u>		
		<u>1997</u> £	<u>1996</u> £
	Profit for financial year	1,372	14,140
	Opening shareholders' funds	<u>25,482</u>	<u>11,342</u>
	Closing shareholders' funds	<u>26,854</u>	<u>25,482</u>

THE FOLLOWING SHEET DOES NOT
FORM PART OF THE
STATUTORY FINANCIAL STATEMENTS

PREMIER PROGRAMMING LIMITED

DETAILED PROFIT AND LOSS ACCOUNT YEAR ENDED 30TH JUNE 1997

	<u>1997</u>	<u>1996</u>
	£	£
Charges for Services	100,119	97,890
<u>Cost of Sales</u>		
Directors Emoluments	7,500	7,500
Computer Consumables	<u>903</u>	<u>1,833</u>
	(8,403)	(9,333)
GROSS PROFIT	91,716	88,557
 <u>ADMINISTRATIVE EXPENSES</u>		
Employer's NIC	375	375
Audit and Accountancy	900	1,150
Insurance and Pensions	6,457	6,446
Telephone	45	283
Printing, Stationery and Postage	1,042	1,130
Sundries	15	36
Training	-	<u>135</u>
	<u>8,834</u>	<u>9,555</u>
 <u>OTHER OPERATING EXPENSES</u>		
Subscriptions	75	40
Motor and Travel	1,809	5,803
Depreciation	<u>1,268</u>	<u>1,691</u>
	<u>3,152</u>	<u>7,534</u>
 <u>TOTAL OPERATING EXPENSES</u>	<u>(11,986)</u>	<u>(17,089)</u>
 OPERATING PROFIT	79,730	71,468
Interest payable and similar charges		
Bank interest and charges	(205)	(174)
 OTHER INCOME - interest receivable	<u>452</u>	<u>670</u>
 NET PROFIT FOR THE PERIOD	<u>79,977</u>	<u>71,964</u>

PREMIER PROGRAMMING LIMITED

CORPORATION TAX COMPUTATIONS YEAR ENDED 30TH JUNE 1997

	<u>£</u>	<u>£</u>
Net Profit per Accounts		79,977
<u>Adjustments:</u>		
Depreciation	1,268	
Interest Received	(452)	<u>816</u>
		80,793
Less: Capital Allowances		(1,232)
Add: DIII Interest		<u>452</u>
Profits Chargeable to Corporation Tax		<u>80,013</u>

CAPITAL ALLOWANCES:

	<u>POOL</u> <u>£</u>	<u>ALLOWANCES</u> <u>£</u>
WDV Brought Forward	4,929	
WDA @ 25%	(1,232)	<u>1,232</u>
WDV Carried Forward	<u>3,697</u>	

LIABILITY:

	<u>£</u>
Corporation Tax @ 24% on (£80,013 x $\frac{274}{365}$ = £60,065)	14,415.60
Corporation Tax @ 21% on (£80,013 x $\frac{91}{365}$ = £19,948)	<u>4,189.08</u>
	18,604.68
Less: ACT paid	(15,000.00)
MCT due 01.04.98	<u>3,604.68</u>