STRATEGIC REPORT, REPORT OF THE DIRECTORS AND

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

FOR

LEWMAX PROGRAMMING LIMITED

Martin Tiano & Company Limited
Chartered Accountants and Statutory Auditors
Chartwell House
292-294 Hale Lane
Edgware
Middlesex
HA8 8NP

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

LEWMAX PROGRAMMING LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2015

DIRECTORS:	D A French M D Roberts
SECRETARY:	D A French
REGISTERED OFFICE:	Breakspear Park Breakspear Way Hemel Hempstead Hertfordshire HP2 4UL
REGISTERED NUMBER:	02954871 (England and Wales)
AUDITORS:	Martin Tiano & Company Limited Chartered Accountants and Statutory Auditors Chartwell House 292-294 Hale Lane Edgware Middlesex HA8 8NP

STRATEGIC REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The directors present their strategic report for the year ended 31 August 2015.

REVIEW OF BUSINESS
The results for the year show pre-tax profits of £61,419 (2014 - £67,201) and turnover of £725,904 (2014 - £605,039).

PRINCIPAL RISKS AND UNCERTAINTIES
The management of the business and the execution of the company's strategies are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to competition, technology, and the state of the UK manufacturing base. The external commercial environment is expected to remain competitive and challenging for the foreseeable future. The directors are confident that the company will maintain its current level of performance. In the programming business there has been continued investment in new technology to ensure that the production process continues to be competitive. In the distribution business there is continued investment in people and systems in order to deliver an efficient service to the customers. This all serves to ensure the continued success of the company's businesses.

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

ON BEHALF OF THE BOARD:

D A French - Director

4 January 2016

LEWMAX PROGRAMMING LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 AUGUST 2015

The directors present their report with the financial statements of the company for the year ended 31 August 2015.

DIVIDENDS
No dividends will be distributed for the year ended 31 August 2015.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 September 2014 to the date of this report.

D A French
M D Roberts

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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

AUDITORS
The auditors, Martin Tiano & Company Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

X

D A French - Director

4 January 2016

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LEWMAX PROGRAMMING LIMITED

We have audited the financial statements of Lewmax Programming Limited for the year ended 31 August 2015 on pages five to eleven. 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 Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 31 August 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 the Companies Act 2006
In our opinion the information given in the Strategic Report and 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.

Martin Tiano (Senior Statutory Auditor)
for and on behalf of Martin Tiano & Company Limited
Chartered Accountants and Statutory Auditors
Chartwell House
292-294 Hale Lane
Edgware
Middlesex
HA8 8NP

4 January 2016

LEWMAX PROGRAMMING LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	2015 £	2014 £
TURNOVER	2	725,904	605,039
Cost of sales		392,752	303,798
GROSS PROFIT		333,152	301,241
Administrative expenses		270,730	234,040
OPERATING PROFIT	4	62,422	67,201
Interest payable and similar charges	5	1,003	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		61,419	67,201
Tax on profit on ordinary activities	6	36,058	13,604
PROFIT FOR THE FINANCIAL YEAR		25,361	53,597

CONTINUING OPERATIONS
None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES
The company has no recognised gains or losses other than the profits for the current year or previous year.

The notes form part of these financial statements

BALANCE SHEET
31 AUGUST 2015

	Notes	2015 £	2015 £	2014 £	2014 £
FIXED ASSETS					
Tangible assets	7		217,640		49,616
CURRENT ASSETS					
Stocks	8	-		4,200	
Debtors	9	132,594		127,857	
Cash at bank and in hand		330,558		290,269	
		463,152		422,326	
CREDITORS					
Amounts falling due within one year	10	196,014		115,708	
NET CURRENT ASSETS			267,138		306,618
TOTAL ASSETS LESS CURRENT LIABILITIES			484,778		356,234
CREDITORS					
Amounts falling due after more than one year	11		(70,831)		-
PROVISIONS FOR LIABILITIES	14		(32,352)		-
NET ASSETS			381,595		356,234
CAPITAL AND RESERVES					
Called up share capital	15		100		100
Profit and loss account	16		381,495		356,134
SHAREHOLDERS' FUNDS	19		381,595		356,234

The financial statements were approved by the Board of Directors on 4 January 2016 and were signed on its behalf by:

D A French - Director

The notes form part of these financial statements

1. ACCOUNTING POLICIES

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

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.

Related party exemption
The company has taken advantage of exemption, under the terms of Financial Reporting Standard 8 Related Party Disclosures, not to disclose related party transactions with wholly owned subsidiaries within the group on the grounds that consolidated financial statements are prepared by the ultimate parent company.

Turnover
Turnover represents amounts receivable from the sale of goods and services net of VAT and trade discounts.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- at varying rates on cost
Fixtures and fittings	- at varying rates on cost

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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
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
Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

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

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:

	2015	2014
	£	£
United Kingdom	541,842	420,883
Europe	184,062	184,156
	725,904	605,039

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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2015

3. STAFF COSTS

	2015	2014
	£	£
Wages and salaries	262,554	226,636
Social security costs	21,064	18,001
	283,618	244,637

The average monthly number of employees during the year was as follows:

	2015	2014
Direct labour	10	8
Administration	3	3
	13	11

4. OPERATING PROFIT

The operating profit is stated after charging:

	2015	2014
	£	£
Hire of plant and machinery	42,000	42,000
Depreciation - owned assets	35,093	42,467
Depreciation - assets on hire purchase contracts	8,300	-
Auditors' remuneration	5,095	959
Auditors' remuneration for non audit work	-	500
Foreign exchange differences	3,794	3,790
Directors' remuneration	62,000	57,000

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2015	2014
	£	£
Hire purchase	1,003	-

6. TAXATION

Analysis of the tax charge
The tax charge on the profit on ordinary activities for the year was as follows:

	2015	2014
	£	£
Current tax:		
UK corporation tax	-	15,521
Deferred tax	36,058	(1,917)
Tax on profit on ordinary activities	36,058	13,604

continued...

6. TAXATION - continued

Factors affecting the tax charge
The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	61,419	67,201
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2014 - 20%)	12,284	13,440
Effects of:		
Expenses not deductible for tax purposes	909	164
Capital allowances in excess of depreciation	(36,058)	-
Depreciation in excess of capital allowances	-	1,917
Utilisation of tax losses	22,865	-
Current tax charge	-	15,521

7. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Totals £
COST			
At 1 September 2014	666,738	106,867	773,605
Additions	209,329	2,088	211,417
Disposals	(89,846)	(71,021)	(160,867)
At 31 August 2015	786,221	37,934	824,155
DEPRECIATION			
At 1 September 2014	618,550	105,439	723,989
Charge for year	41,693	1,700	43,393
Eliminated on disposal	(89,846)	(71,021)	(160,867)
At 31 August 2015	570,397	36,118	606,515
NET BOOK VALUE			
At 31 August 2015	215,824	1,816	217,640
At 31 August 2014	48,188	1,428	49,616

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
COST	
Additions	159,370
At 31 August 2015	159,370
DEPRECIATION	
Charge for year	8,300
At 31 August 2015	8,300
NET BOOK VALUE	
At 31 August 2015	151,070

continued...

8. STOCKS

	2015	2014
	£	£
Finished goods	-	4,200

9. DEBTORS

	2015	2014
	£	£
Amounts falling due within one year:		
Trade debtors	96,485	78,051
Prepayments and accrued income	36,109	46,100
	132,594	124,151
Amounts falling due after more than one year:		
Deferred taxation	-	3,706
Aggregate amounts	132,594	127,857

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Hire purchase contracts (see note 12)	42,498	-
Trade creditors	65,584	33,007
Amounts owed to group undertakings	19,223	9,058
Corporation tax	-	15,518
Social security and other taxes	18,663	9,788
Accruals and deferred income	50,046	48,337
	196,014	115,708

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2015	2014
	£	£
Hire purchase contracts (see note 12)	70,831	-

12. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	2015	2014
	£	£
Gross obligations repayable:		
Within one year	45,507	-
Between one and five years	75,845	-
	121,352	-
Finance charges repayable:		
Within one year	3,009	-
Between one and five years	5,014	-
	8,023	-
Net obligations repayable:		
Within one year	42,498	-
Between one and five years	70,831	-
	113,329	-

continued...

13. SECURED DEBTS

The following secured debts are included within creditors:

	2015	2014
	£	£
Hire purchase contracts	113,329	-

14. PROVISIONS FOR LIABILITIES

	2015	2014
	£	£
Deferred tax	32,352	-

	Deferred tax
	£
Provided during year	36,058
Unused amounts reversed during year	(3,706)
Balance at 31 August 2015	32,352

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2015	2014
			£	£
100	Ordinary	£1	100	100

16. RESERVES

	Profit and loss account
	£
At 1 September 2014	356,134
Profit for the year	25,361
At 31 August 2015	381,495

17. ULTIMATE PARENT COMPANY

Castello Holding Company Limited is regarded by the directors as being the company's ultimate parent company.

Castello Holding Company Limited prepares consolidated financial statements, copies of which can be obtained from Companies House.

18. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is D A French.

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015	2014
	£	£
Profit for the financial year	25,361	53,597
Net addition to shareholders' funds	25,361	53,597
Opening shareholders' funds	356,234	302,637
Closing shareholders' funds	381,595	356,234