

1093328

GLOBAL ENTERTAINMENT MANAGEMENT (U.K.) LIMITED**REPORT AND FINANCIAL STATEMENTS****For the year ended 31 March 1995**

H.A. Burton
Chartered Accountants
Registered Auditor
17 Hertford Avenue
London
SW14 8EF
Tel: 0181-878 6572
Fax: 0181-878 6577

GLOBAL ENTERTAINMENT MANAGEMENT (U.K.) LIMITED

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GLOBAL ENTERTAINMENT MANAGEMENT (U.K.) LIMITED

COMPANY INFORMATION

REGISTERED NUMBER 1093328 (England and Wales)

REGISTERED AND TRADING OFFICE 22 Wadsworth Road
Perivale
Middlesex
UB6 7JD

DIRECTOR Pransukh Kotak

SECRETARY Pradeep Kotak

AUDITORS H.A. Burton
Chartered Accountants
Registered Auditor
17 Hertford Avenue
London
SW14 8EF

BANKERS Lloyds Bank plc
10 Hanover Square
London
W1R 0BT

GLOBAL ENTERTAINMENT MANAGEMENT (U.K.) LIMITED

REPORT OF THE DIRECTOR

The director presents his report together with the audited financial statements for the year ended 31 March 1995.

1. PRINCIPAL ACTIVITY

The principal activity of the company remains the design, development and sale of television entertainment and communication systems.

2. REVIEW OF THE BUSINESS

The year has been a difficult one but it is anticipated that this trend will improve during the subsequent trading year with the termination of the Consultancy Agreement and continued upturn in sales.

3. RESULTS AND DIVIDENDS

The loss before taxation on ordinary activities for the year was £141,046 (1994 - £70,498). An amount of £129,975 (1994 - £61,827) has been offset against reserves.

In view of the current and future requirements of the company it is not proposed to recommend a dividend.

4. FIXED ASSETS

Fixed assets at 31 March 1995 were stated at £15,081, compared with £9,326 at the beginning of the year. Movements in fixed assets are set out in note 7 to the financial statements.

5. DIRECTOR AND HIS INTERESTS

The director of the company during the year and his interest in the ordinary share capital of the company at the balance sheet date are set out below:

	Ordinary shares of £1 each	
	31 March 1995	31 March 1994
P. Kotak	Nil	Nil

In accordance with the Articles of Association, Mr Kotak retires and, being eligible, offers himself for re-election.

GLOBAL ENTERTAINMENT MANAGEMENT (U.K.) LIMITED

REPORT OF THE DIRECTOR

6. DIRECTOR'S RESPONSIBILITIES

Company law requires the directors to prepare financial statements 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 financial statements, the director is 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 financial statements (except for small or medium-sized companies as defined by the Companies Act);
- 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 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 financial statements comply with the Companies Act 1985. He is 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.

7. AUDITORS

The auditors, H.A. Burton Chartered Accountants, are deemed to be reappointed in accordance with Section 386 of the Companies Act 1985.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS

P. Kotak

Secretary

Approved by the Board: 24 January 1996

GLOBAL ENTERTAINMENT MANAGEMENT (U.K.) LIMITED

REPORT OF THE AUDITORS TO THE SHAREHOLDERS

We have audited the financial statements on pages 5 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3 the company's director is responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the financial statements, 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 financial statements are free from material misstatements, 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 financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 1995 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


H.A. BURTON

Chartered Accountants
Registered Auditor

24 January 1996

GLOBAL ENTERTAINMENT MANAGEMENT (U.K.) LIMITED

PROFIT AND LOSS ACCOUNT For the year ended 31 March 1995

	Note	£	1995 £	1994 £
TURNOVER	2		566,081	540,057
Cost of sales			<u>(445,987)</u>	<u>(333,093)</u>
GROSS PROFIT			120,094	206,964
Administrative expenses			<u>(269,847)</u>	<u>(292,013)</u>
OPERATING LOSS	3		<u>(149,753)</u>	<u>(85,049)</u>
Interest receivable	4	8,730		14,578
Interest payable	5	<u>(23)</u>		<u>(27)</u>
			<u>8,707</u>	<u>14,551</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION			<u>(141,046)</u>	<u>(70,498)</u>
Taxation	6		<u>11,071</u>	<u>8,671</u>
LOSS ON ORDINARY ACTIVITIES FOR THE FINANCIAL YEAR offset against reserves			<u>(129,975)</u>	<u>(61,827)</u>
Loss per share			£1,299.75	£618.27
STATEMENT OF RETAINED PROFIT				
Balance, brought forward			114,015	175,842
Retained deficit for the year			<u>(129,975)</u>	<u>(61,827)</u>
Balance, carried forward to set aside against future reserves			<u>(15,960)</u>	<u>114,015</u>

The company made no recognised gains or losses in 1995 or 1994 other than the losses for the year.

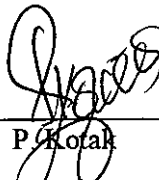
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GLOBAL ENTERTAINMENT MANAGEMENT (U.K.) LIMITED

BALANCE SHEET As at 31 March 1995

	Note	£	1995 £	1994 £
FIXED ASSETS				
Tangible assets	7		15,081	<u>9,326</u>
CURRENT ASSETS				
Stock	8	366		912
Debtors	9	110,050		152,236
Cash at bank		<u>178,541</u>		<u>174,380</u>
		288,957		327,528
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	10	<u>(312,133)</u>		<u>(222,739)</u>
NET CURRENT (LIABILITIES)/ASSETS			<u>(23,176)</u>	<u>104,789</u>
			<u>(8,095)</u>	<u>114,115</u>
Financed by:				
CAPITAL AND RESERVES				
Called up share capital	11		100	100
Profit and loss account			(15,960)	114,015
Provision for redundancy			<u>7,765</u>	<u>-</u>
			<u>(8,095)</u>	<u>114,115</u>

Signed on behalf of the Board of Directors:



P. Kotak

Director

Approved by the Board: 24 January 1996

The notes on pages 7 to 10 form part of these financial statements.

GLOBAL ENTERTAINMENT MANAGEMENT (U.K.) LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS For the year ended 31 March 1995

1. ACCOUNTING POLICIES

There have been no changes in the accounting policies during the year. The following are the more important accounting policies adopted by the company:

a) Accounting convention

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

b) Turnover

Turnover represents sales to outside customers at invoiced amounts exclusive of value added tax.

c) Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets over their expected useful lives. It is calculated on the original cost of the assets at the following rates:

	Rate	Method
Motor vehicles	25%	Straight line
Video equipment	33 $\frac{1}{3}$ %	Straight line
Demonstration equipment	33 $\frac{1}{3}$ %	Straight line
Office equipment	33 $\frac{1}{3}$ %	Straight line
Mobile telephones	25%	Straight line

d) Stocks

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to disposal.

Cost is calculated as follows:

Tape modules – cost of purchase on first in, first out basis

A provision has been made against the stock of tape modules calculated to write off the cost in equal instalments over six months.

e) Cash flow

The accounts do not include a cash flow statement because, as a small reporting entity, it is exempt from the requirement to prepare such a statement under the Financial Reporting Standard No. 1 "Cash Flow Statements".

GLOBAL ENTERTAINMENT MANAGEMENT (U.K.) LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued) For the year ended 31 March 1995

2. TURNOVER AND PROFITS

The turnover arose within the U.K. from the one principal activity of the company.

3. OPERATING LOSS

The operating loss is stated after charging:

(a) Expenses		1995 £	1994 £
Aggregate depreciation charged in the year		8,833	11,565
Auditors' remuneration		<u>1,500</u>	<u>1,500</u>
(b) Employees		No.	No.
(i) The average number of employees during the year was:			
Director		1	1
Administration		<u>2</u>	<u>2</u>
		3	3
		<u>£</u>	<u>£</u>
(ii) Aggregate costs:			
Wages and salaries (including director)		33,066	33,016
Social security costs		3,094	3,243
Pension costs		<u>10,488</u>	<u>10,378</u>
		<u>46,648</u>	<u>46,637</u>
4. INTEREST RECEIVABLE		1995 £	1994 £
Bank		8,730	8,501
Director's loan account		<u>-</u>	<u>6,077</u>
		<u>8,730</u>	<u>14,578</u>
5. INTEREST PAYABLE		1995 £	1994 £
Bank overdraft		<u>.23</u>	<u>27</u>

GLOBAL ENTERTAINMENT MANAGEMENT (U.K.) LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued) For the year ended 31 March 1995

6. TAXATION

The taxation credit on ordinary losses for the year is as follows:

	1995 £	1994 £
Corporation tax recouped at 25%	11,100	20,373
Tax on bank interest at 25%	-	(9,302)
Penalties and interest on late notification	-	(1,700)
Interest on tax paid late net of refund interest	(29)	(700)
	<u>11,071</u>	<u>8,671</u>

The charge for the year has been increased by expenditure not allowable for taxation.

7. TANGIBLE ASSETS

	Motor vehicle £	Video equipment £	Demon- stration equipment £	Office equipment £	Total £
Cost:					
At 1 April 1994	17,524	78,874	5,815	10,306	112,519
Additions in year	18,600	-	-	369	18,969
Disposals	<u>(17,524)</u>	<u>(76,333)</u>	<u>-</u>	<u>-</u>	<u>(93,857)</u>
At 31 March 1995	<u>18,600</u>	<u>2,541</u>	<u>5,815</u>	<u>10,675</u>	<u>37,631</u>
Depreciation:					
At 1 April 1994	13,143	74,635	5,815	9,600	103,193
Eliminated on disposal	(13,143)	(76,333)	-	-	(89,476)
Charge for the year	<u>4,650</u>	<u>3,392</u>	<u>-</u>	<u>791</u>	<u>8,833</u>
At 31 March 1995	<u>4,650</u>	<u>1,694</u>	<u>5,815</u>	<u>10,391</u>	<u>22,550</u>
Net book value:					
At 31 March 1995	<u>13,950</u>	<u>847</u>	<u>-</u>	<u>284</u>	<u>15,081</u>
At 31 March 1994	<u>4,381</u>	<u>4,239</u>	<u>-</u>	<u>706</u>	<u>9,326</u>

The video equipment is leased out under operating leases.

GLOBAL ENTERTAINMENT MANAGEMENT (U.K.) LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued) For the year ended 31 March 1995

8. STOCKS

	1995 £	1994 £
Trade modules	<u>366</u>	<u>912</u>

9. DEBTORS

	1995 £	1994 £
Trade debtors	86,347	135,103
Other debtors	17,988	16,099
Prepayments and accrued income	<u>5,715</u>	<u>1,034</u>
	<u>110,050</u>	<u>152,236</u>

All amounts shown under debtors fall due for payment within one year.

10. CREDITORS FALLING DUE WITHIN ONE YEAR

	1995 £	1994 £
Bank overdraft	6,366	-
Trade creditors	92,157	69,633
Corporation tax	-	17,172
Other taxes and social security	35,530	36,950
Other creditors	175,515	95,947
Accruals	<u>2,565</u>	<u>3,037</u>
	<u>312,133</u>	<u>222,739</u>

11. SHARE CAPITAL

	1995 £	1994 £
Authorised, allotted, called up and fully paid: Ordinary shares of £1 each	<u>100</u>	<u>100</u>

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