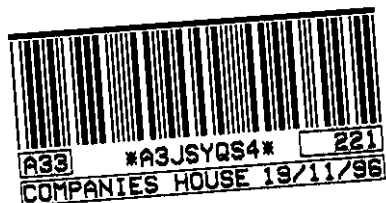




**FISHER LANE FARM LIMITED**

**Report and Financial Statements**

**31 December 1995**



**Deloitte & Touche  
Hill House  
1 Little New Street  
London EC4A 3TR**



**REPORT AND FINANCIAL STATEMENTS 1995**

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## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 1995.

### **ACTIVITIES**

The principal activity of the company continued to be that of the provision of recording facilities.

### **REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS**

The financial position of the company at the year-end is shown on page 5. The profit and loss account for the year is shown on page 4. The directors have nothing further to add thereon.

The directors are satisfied that the company is well placed to trade profitably in the future.

### **DIVIDENDS AND TRANSFERS TO RESERVES**

The directors do not recommend the payment of a dividend (1994: £nil).

Retained profit of £23,523 (1994 - £32,117) has been transferred to reserves.

### **FIXED ASSETS**

Details of fixed assets owned during the year are stated in note 7 to the accounts.

### **DIRECTORS**

The directors who served throughout the year, together with their beneficial interests, as defined by the Companies Act 1985, in the shares of the company at 31 December 1995 and 1 January 1995 were as follows:

	<b>Ordinary shares of £1 each</b>	
	<b>31 December 1995</b>	<b>1 January 1995</b>
M J C C Rutherford	33	33
P D C Collins	33	33
A G Banks	33	33

In addition, the directors have a joint beneficial interest in one share at 31 December 1994 and 1995.

### **AUDITORS**

On 1 February 1996 our auditors changed the name under which they practise to Deloitte & Touche and, accordingly, have signed their report in their new name. A resolution for the reappointment of Deloitte & Touche as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
 and signed on behalf of the Board



M J C C RUTHERFORD

Director

31 October 1996



## **STATEMENT OF DIRECTORS' 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 as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act. 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.



## Chartered Accountants

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## FISHER LANE FARM LIMITED

### AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 4 to 9 which have been prepared under the accounting policies set out on page 6.

#### Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of 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 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 directors 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 misstatement, 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 at 31 December 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

DELOITTE & TOUCHE

Chartered Accountants and  
Registered Auditors

14 November 1996


**PROFIT AND LOSS ACCOUNT**  
**Year ended 31 December 1995**

	Note	1995 £	1994 £
<b>TURNOVER</b>	1,2	532,986	651,408
Cost of sales		<u>(15,658)</u>	<u>(30,976)</u>
Gross profit		517,328	620,432
Administrative expenses		<u>(494,044)</u>	<u>(606,478)</u>
<b>OPERATING PROFIT</b>		23,284	13,954
Interest receivable and similar income		10,306	5,126
Interest payable and similar charges	4	<u>(884)</u>	<u>(5)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	5	32,706	19,075
Tax (charge)/credit on profit on ordinary activities	6	<u>(9,183)</u>	<u>13,042</u>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		23,523	32,117
Balance brought forward		<u>(349,904)</u>	<u>(382,021)</u>
Balance carried forward		<u><u>(326,381)</u></u>	<u><u>(349,904)</u></u>

All activities derive from continuing operations.

There are no recognised gains or losses other than the profit and loss for this and the preceding financial year and accordingly no statement of total recognised gains and losses is shown.

There are no movements on reserves or shareholders' funds for either financial year other than the movement on the profit and loss account as shown above.


**BALANCE SHEET**  
**31 December 1995**

	Note	1995 £	1994 £
<b>FIXED ASSETS</b>			
Tangible assets	7	573,139	626,793
<b>CURRENT ASSETS</b>			
Debtors	8	80,998	48,956
Cash at bank and in hand		153,067	133,063
		234,065	182,019
<b>CREDITORS: amounts falling due within one year</b>			
Amounts owed to related companies		2,224	2,224
Other creditors including taxation and social security	9	41,721	78,933
Accruals and deferred income		54,540	42,459
		98,485	123,616
<b>NET CURRENT ASSETS</b>		135,580	58,403
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		708,719	685,196
<b>CREDITORS: amounts falling due after more than one year</b>	10	(1,035,000)	(1,035,000)
		(326,281)	(349,804)
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	100	100
Profit and loss account		(326,381)	(349,904)
<b>EQUITY SHAREHOLDER'S DEFICIT</b>		(326,281)	(349,804)

These financial statements were approved by the Board of Directors on 31 OCTOBER 1996.

Signed on behalf of the Board of Directors

M J C C Rutherford

Director

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 1995**

**1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

**Accounting convention**

The financial statements are prepared under the historical cost convention.

**Tangible fixed assets**

Depreciation is not provided on freehold land.

On other assets depreciation is provided in equal annual instalments over the estimated useful lives of the assets and is calculated on the cost of the assets.

The following rates are used:

Freehold buildings	2.5% per annum
Furniture, fixtures and fittings and equipment	40% per annum
Studio equipment	40% per annum
Motor vehicles	25% per annum

**Turnover**

Turnover represents recording studio and crew hire fees receivable net of value added tax.

**Going concern basis**

The balance sheet shows a deficit of net assets of £326,281 at 31 December 1995. This amount is stated after liabilities of £1,035,000 due to related companies.

The companies have confirmed their intention to maintain financial support to the company and accordingly the directors have drawn up the accounts on a going concern basis.

**2. TURNOVER**

The company's turnover is wholly attributable to the company's principal activity, and is substantially in respect of services provided on normal commercial terms to the directors in their professional capacities.

**3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

	1995 £	1994 £
Employee costs during the year:		
Wages and salaries	251,639	340,555
Social security costs	25,858	34,898
	<u>277,497</u>	<u>375,453</u>
	No.	No.
Average number of persons employed (excluding directors):		
Production	<u>5</u>	<u>5</u>

The directors did not receive any remuneration in either financial year.



**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 1995**

**4. INTEREST PAYABLE AND SIMILAR CHARGES**

	1995 £	1994 £
Sundry interest payable	<u>884</u>	<u>5</u>

**5. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

	1995 £	1994 £
Profit on ordinary activities before taxation is after charging:		
Depreciation on owned assets	88,143	108,772
Auditors' remuneration - audit fees	<u>6,000</u>	<u>6,000</u>

**6. TAX (CHARGE)/CREDIT ON PROFIT ON ORDINARY ACTIVITIES**

	1995 £	1994 £
United Kingdom corporation tax at 25% (1994 : 25%) based on the profit for the year	(9,183)	(7,778)
Adjustment in respect of prior years	<u>-</u>	<u>20,820</u>
	<u>(9,183)</u>	<u>13,042</u>

The adjustment in 1994 relates to consortium relief made available from other consortium companies.


**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 1995**
**7. TANGIBLE FIXED ASSETS**

	Freehold land and buildings £	Equipment £	Studio equipment £	Motor vehicles £	Furniture, fixtures and fittings £	Total £
Cost						
At 1 January 1995	686,594	902,395	564,215	113,600	113,381	2,380,185
Additions	-	12,715	15,745	-	6,029	34,489
At 31 December 1995	686,594	915,110	579,960	113,600	119,410	2,414,674
Depreciation:						
At 1 January 1995	155,636	873,786	550,251	67,966	105,753	1,753,392
Charge for the year	13,497	29,453	15,608	25,388	4,197	88,143
At 31 December 1995	169,133	903,239	565,859	93,354	109,950	1,841,535
Net book value:						
At 31 December 1995	517,461	11,871	14,101	20,246	9,460	573,139
At 31 December 1994	530,958	28,609	13,964	45,634	7,628	626,793

Included in freehold land and buildings is land with an original cost of £146,703 which is not depreciated.

**8. DEBTORS**

	1995 £	1994 £
Trade debtors	23,474	247
Other debtors	32,460	29,138
Prepayments and accrued income	25,064	19,571
	80,998	48,956



**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 1995**

**9. OTHER CREDITORS INCLUDING TAXATION AND SOCIAL SECURITY**

	1995 £	1994 £
Directors' current accounts	15,803	15,803
Taxation and social security	25,918	63,130
	<u>41,721</u>	<u>78,933</u>

**10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	1995 £	1994 £
Loans from related companies	1,035,000	1,035,000
	<u>1,035,000</u>	<u>1,035,000</u>

The loans are due after more than one year with no fixed date for repayment, and are interest free.

**11. CALLED UP SHARE CAPITAL**

	1995 £	1994 £
Authorised:		
1,000 ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
Called up, allotted and fully paid:		
100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>