

Company Registration No. 1569857 (England and Wales)

ROSE HACKNEY BARBER PRODUCTIONS LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 1998



ROSE HACKNEY BARBER PRODUCTIONS LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Auditors' report	3
Profit and loss account	4
Abbreviated balance sheet	5
Cash flow statement	6
Notes to the cash flow statement	7
Notes to the abbreviated accounts	8 - 12

ROSE HACKNEY BARBER PRODUCTIONS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 1998

The directors present their report and financial statements for the year ended 30 September 1998.

Principal activities and review of the business

The principal activity of the company continued to be that of film production. The company by special resolution on 20 November 1998 sub-divided its issued and unissued share capital of £1 into two shares of 50p.

Results and dividends

The results for the year are set out on page 4.

Year 2000

As is well known many computer systems may require modification or replacement to operate correctly in the year 2000 and beyond. The company has assessed the risks to business arising from year 2000 compliance issues. The directors are satisfied that all major computer systems are compliant, although given the complexity of the problem, it is not possible for any organisation to guarantee that no year 2000 problems will remain. However, the directors consider that it has sufficient resources available to deal promptly with subsequent failures or issues that may arise. The directors do not expect to have to expend amounts in excess of normal computer costs in the future.

Directors

The following directors have held office since 1 October 1997:

Graham E. Rose	
John R. Hackney	
Daniel M. Barber	(Appointed 31 March 1998)
Stephen C. Worley	(Appointed 31 March 1998)

Directors' interests

The directors' beneficial interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	30 September 1998	1 October 1997
John R. Hackney	30	30
Graham E. Rose	70	70
Daniel M. Barber	-	-
Stephen C. Worley	-	-

Charitable contributions

During the year the company made charitable donations of £3,579 (1997 : £1,465).

Auditors

The company has by elective resolution dispensed with the obligation to appoint auditors annually in accordance with section 386(1) of the Companies Act 1985. Therefore, the auditors, Silver Levene, will be deemed to be reappointed for each succeeding financial year.

ROSE HACKNEY BARBER PRODUCTIONS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 1998

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 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 the 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 1985. 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.

By order of the board

.....
Stephen C. Worley

Director

21 July 1999

ROSE HACKNEY BARBER PRODUCTIONS LIMITED

AUDITORS' REPORT TO ROSE HACKNEY BARBER PRODUCTIONS LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 12, together with the financial statements of the company for the year ended 30 September 1998 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 12 are properly prepared in accordance with that provision.

Silver Levene

Silver Levene

Chartered Certified Accountants
Registered Auditors

22 July 1999

37 Warren Street
London
W1P 5PD

ROSE HACKNEY BARBER PRODUCTIONS LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 1998

	Notes	1998 £	1997 £
Gross profit		1,319,767	1,127,457
Administrative expenses		(1,312,221)	(1,297,859)
Operating profit/(loss)	2	7,546	(170,402)
Other interest receivable and similar income	3	80,943	83,379
Profit/(loss) on ordinary activities before taxation		88,489	(87,023)
Tax on profit/(loss) on ordinary activities	4	(31,982)	(12,067)
Profit/(loss) on ordinary activities after taxation	10	56,507	(99,090)

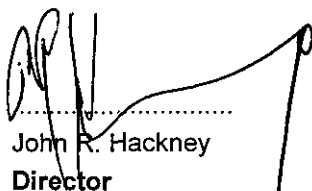
ROSE HACKNEY BARBER PRODUCTIONS LIMITED

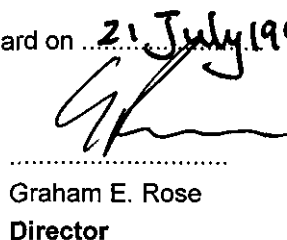
ABBREVIATED BALANCE SHEET AS AT 30 SEPTEMBER 1998

	Notes	1998 £	£	1997 £	£
Fixed assets					
Tangible assets	5		388,998		268,603
Current assets					
Stocks	6	189,510		109,734	
Debtors	7	1,373,146		1,697,674	
Cash at bank and in hand		1,840,294		1,429,843	
		<u>3,402,950</u>		<u>3,237,251</u>	
Creditors: amounts falling due within one year	8	<u>(3,556,002)</u>		<u>(3,326,415)</u>	
Net current liabilities			(153,052)		(89,164)
Total assets less current liabilities			<u>235,946</u>		<u>179,439</u>
Capital and reserves					
Called up share capital	9		100		100
Profit and loss account	10		235,846		179,339
Shareholders' funds	11		<u>235,946</u>		<u>179,439</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The financial statements were approved by the Board on 21 July 1999


John R. Hackney
Director


Graham E. Rose
Director

ROSE HACKNEY BARBER PRODUCTIONS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 1998

	1998 £	1997 £
Net cash inflow/(outflow) from operating activities	589,149	(226,361)
Returns on investments and servicing of finance		
Interest received	80,943	83,379
Net cash inflow for returns on investments and servicing of finance	80,943	83,379
Taxation	(12,064)	(58,106)
Capital expenditure		
Payments to acquire tangible assets	(277,262)	(13,159)
Receipts from sales of tangible assets	29,685	-
Net cash outflow for capital expenditure	(247,577)	(13,159)
Net cash inflow/(outflow) before management of liquid resources and financing	410,451	(214,247)
Increase/(decrease) in cash in the year	410,451	(214,247)

ROSE HACKNEY BARBER PRODUCTIONS LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 1998

1	Reconciliation of operating profit/(loss) to net cash inflow/(outflow) from operating activities	1998	1997
		£	£
	Operating profit/(loss)	7,546	(170,402)
	Depreciation of tangible assets	130,199	75,551
	Profit on disposal of tangible assets	(3,017)	-
	Increase in stocks	(79,776)	(109,734)
	Decrease/(increase) in debtors	324,327	(568,534)
	Increase in creditors within one year	209,870	546,758
	Net cash inflow/(outflow) from operating activities	589,149	(226,361)

2	Analysis of net funds	1 October 1997	Cash flow	Other non-cash changes	30 September 1998
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	1,429,843	410,451		1,840,294
	Debt:				
	Net funds	1,429,843	410,451	-	1,840,294

3	Reconciliation of net cash flow to movement in net funds	1998	1997
		£	£
	Increase/(decrease) in cash in the year	410,451	(214,247)
	Cash inflow from increase in debt	-	-
	Movement in net funds in the year	410,451	(214,247)
	Opening net funds	1,429,843	1,644,090
	Closing net funds	1,840,294	1,429,843

ROSE HACKNEY BARBER PRODUCTIONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 1998

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Short Leasehold	Straight line over the life of the lease
Computers	25% Reducing balance
Fixtures, fittings & equipment	15% Reducing balance
Motor vehicles	25% Reducing balance

1.4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Stock and work in progress

Work in progress is valued at the lower of cost and net realisable value.

1.6 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.7 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Operating profit/(loss)	1998	1997
	£	£
Operating profit/(loss) is stated after charging:		
Depreciation of tangible assets	130,199	75,551
Operating lease rentals	107,421	100,145
Auditors' remuneration	12,000	8,500
	<u> </u>	<u> </u>
 3 Other interest receivable and similar income	 1998	 1997
	£	£
Bank interest	80,943	83,379
	<u> </u>	<u> </u>

ROSE HACKNEY BARBER PRODUCTIONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 1998

4	Taxation				1998	1997
					£	£
	U.K. current year taxation					
	U.K. corporation tax at 21% (1997 - 23%)				31,783	12,067
	Prior years					
	U.K. corporation tax				199	-
					<u>31,982</u>	<u>12,067</u>
5	Tangible fixed assets					
		Land and buildings Short Leasehold	Computers	Fixtures, fittings & equipment	Motor vehicles	Total
		£	£	£	£	£
	Cost					
	At 1 October 1997	367,960	64,874	210,447	71,316	714,597
	Additions	117,773	19,826	139,663	-	277,262
	Disposals	-	(5,870)	(5,000)	(71,316)	(82,186)
		<u>485,733</u>	<u>78,830</u>	<u>345,110</u>	<u>-</u>	<u>909,673</u>
	At 30 September 1998	485,733	78,830	345,110	-	909,673
	Depreciation					
	At 1 October 1997	216,498	39,712	146,061	43,723	445,994
	On disposals	-	(881)	(4,016)	(50,621)	(55,518)
	Charge for the year	82,841	10,000	30,460	6,898	130,199
		<u>299,339</u>	<u>48,831</u>	<u>172,505</u>	<u>-</u>	<u>520,675</u>
	At 30 September 1998	299,339	48,831	172,505	-	520,675
	Net book value					
	At 30 September 1998	<u>186,394</u>	<u>29,999</u>	<u>172,605</u>	<u>-</u>	<u>388,998</u>
	At 30 September 1997	<u>151,462</u>	<u>25,161</u>	<u>64,386</u>	<u>27,594</u>	<u>268,603</u>
6	Work in progress				1998	1997
					£	£
	Work in progress				189,510	109,734

ROSE HACKNEY BARBER PRODUCTIONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 1998

7 Debtors	1998 £	1997 £
Trade debtors	1,000,455	919,137
Corporation tax	-	201
Other debtors	6,301	6,504
Prepayments and accrued income	366,390	771,832
	<u>1,373,146</u>	<u>1,697,674</u>
8 Creditors: amounts falling due within one year	1998 £	1997 £
Trade creditors	134,306	74,246
Corporation tax	31,784	12,067
Other taxes and social security costs	239,169	166,122
Directors' current accounts	60,000	-
Other creditors	1,407,718	776,922
Accruals and deferred income	1,683,025	2,297,058
	<u>3,556,002</u>	<u>3,326,415</u>
9 Share capital	1998 £	1997 £
Authorised		
1,000 Ordinary shares of £ 1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
100 Ordinary shares of £ 1 each	100	100
	<u>100</u>	<u>100</u>
10 Statement of movements on profit and loss account		Profit and loss account £
Balance at 1 October 1997		179,339
Retained profit for the year		56,507
		<u>235,846</u>
Balance at 30 September 1998		<u>235,846</u>

ROSE HACKNEY BARBER PRODUCTIONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 1998

11 Reconciliation of movements in shareholders' funds	1998 £	1997 £
Profit/(Loss) for the financial year	56,507	(99,090)
Opening shareholders' funds	179,439	278,529
Closing shareholders' funds	<u>235,946</u>	<u>179,439</u>

12 Financial commitments

At 30 September 1998 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	1998 £	1997 £
Expiry date:		
Between two and five years	105,000	96,000

13 Directors' emoluments	1998 £	1997 £
Emoluments for qualifying services	<u>60,000</u>	<u>51,940</u>

ROSE HACKNEY BARBER PRODUCTIONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 1998

14 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	1998 Number	1997 Number
Office and management	7	7
Production and sales	15	15
	<u>22</u>	<u>22</u>

Employment costs

	£	£
Wages and salaries	561,754	651,293
Social security costs	54,613	62,348
	<u>616,367</u>	<u>713,641</u>