

RCA AUDIO-VISUALS LIMITED

REPORT AND FINANCIAL STATEMENTS

30 November 1986



RCA AUDIO-VISUALS LIMITED

REPORT OF THE DIRECTORS TO BE PRESENTED TO THE FIFTH ANNUAL GENERAL MEETING OF SHAREHOLDERS

The directors present herewith their report and audited financial statements of the company for the year ended 30 November 1986.

1. ACTIVITIES

The company is engaged in the electronic audio-visual business presently by way of a partnership.

2. REVIEW OF THE BUSINESS

RCA Audio-Visuals Limited had a successful year achieving a pre-tax profit of £511,410. The directors do not recommend the payment of a dividend. Profits after tax of £326,024 have been retained and transferred to reserves.

The RCA group underwent significant restructuring in January 1987. Full details are given in the directors' report of RCA Limited, the company's immediate holding company at 31 December 1986.

3. FUTURE PROSPECTS

The directors are confident 1987 will be another successful year.

4. DIRECTORS

The following directors served during the year:

R.H. Hansford, B.Sc., F.I.P.M.
A.L. Robson, F.C.A., F.C.T., F.INST. D.
J.L. Davies (U.S.A.) (until 10 November 1986)

There are no directors' interests requiring disclosure under the Companies Act.

By order of the Board



Secretary
15 May 1987

Shortlands,
Hammersmith,
London

100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000

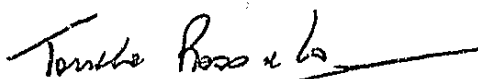
RCA AUDIO-VISUALS LIMITED

AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 3 to 5 in accordance with approved Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 November 1986 and of its profit for the year then ended and comply with the Companies Act 1985.

The financial statements do not include a Statement of Source and Application of Funds as required by Statement of Standard Accounting Practice No. 10.



Chartered Accountants
London
15 May 1987

RCA AUDIO-VISUALS LIMITED

PROFIT AND LOSS ACCOUNT
Year ended 30 November 1986

| | Note | 1986 £ | 1985 £ |
|--|------|-----------------|------------------|
| Share of partnership profits | | | |
| Provision written back to investment | 1b | 511,410 | 154,727 |
| Profit on ordinary activities before taxation | | <u>—</u> | <u>78,710</u> |
| Tax on profit on ordinary activities | 2 | 511,410 | 233,437 |
| Profit for the financial year | 3 | <u>185,386</u> | <u>121,000</u> |
| Profit and loss account brought forward | | 326,024 | 112,437 |
| Profit and loss account carried forward | | <u>(51,273)</u> | <u>(163,710)</u> |
| | | <u>£274,751</u> | <u>£(51,273)</u> |
| | | <u>=====</u> | <u>=====</u> |

RCA AUDIO-VISUALS LIMITED

 Touche Ross

BALANCE SHEET as at 30 November 1986

| | Note | 1986 £ | 1985 £ |
|---|------|--------------------------------|---------------------------------|
| CURRENT ASSET | | | |
| Amount owed by the partnership | | | |
| CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | | <u>666,137</u> | <u>154,727</u> |
| Amount owed to parent company | | | |
| Taxation | | | |
| | | 205,820 | 93,998 |
| | | <u>185,564</u> | <u>112,000</u> |
| | | 391,384 | 205,998 |
| NET CURRENT ASSETS/(LIABILITIES) | | <u>£274,753</u> | <u>£(51,271)</u> |
| CAPITAL AND RESERVES | | ===== | ===== |
| Called up share capital | | | |
| Profit and loss account | | | |
| | 4 | ² <u>274,751</u> | ² <u>(51,273)</u> |
| | | <u>£274,753</u> | <u>£(51,271)</u> |
| | | ===== | ===== |

The financial statements were approved by the Board of Directors on 15 May 1987

Alan C. Robin
L.H. Stamp

)
) Directors

RCA AUDIO-VISUALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
Year ended 30 November 1986

1. ACCOUNTING POLICIES

(a) Accounting convention

The financial statements have been prepared under the historical cost convention.

(b) Investment in Partnership

The investment in the partnership is shown on an equity basis.

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

No director received any remuneration for services to the company during the year (1985 - nil). The company had no employees during the year (1985 - nil).

3. TAX ON PROFIT ON ORDINARY ACTIVITIES

| | 1986 £ | 1985 £ |
|--|-----------------|-----------------|
| United Kingdom corporation tax at 36.25% (1985 - 41.25%) based on profit for the year | 185,386 | 107,000 |
| Prior year adjustments | - | 14,000 |
| | <u>£185,386</u> | <u>£121,000</u> |
| | ===== | ===== |

4. CALLED UP SHARE CAPITAL

| | 1986 £ | 1985 £ |
|--|-----------|-----------|
| Authorised: Ordinary shares of £1 each | 100 | 100 |
| | === | === |
| Allotted and fully paid: Ordinary shares of £1 each | 2 | 2 |
| | === | === |

5. ULTIMATE HOLDING COMPANY

The company's ultimate holding company was RCA Corporation, which is incorporated in the United States of America, until 9 June 1986, on which date the General Electric Company, which is incorporated in the United States of America, became the company's ultimate holding company.

6. EVENT OCCURRING AFTER YEAR END

The RCA group underwent significant restructuring in January 1987. Full details are given in the directors' report of RCA Limited, the company's immediate holding company at 31 December 1986.