



RCA AUDIO VISUALS LIMITED

Report and Financial Statements

30 November 1992

**Touche Ross & Co.
Hill House
1 Little New Street
London EC4A 3TR**





REPORT AND FINANCIAL STATEMENTS 1992

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REPORT AND FINANCIAL STATEMENTS 1992

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

P L A Dupuis

G Morrow

E T Nass

SECRETARY

G Morrow

REGISTERED OFFICE

Shortlands

Hammersmith

London W6 8BX

AUDITORS

Touche Ross & Co.

Chartered Accountants

Hill House

1 Little New Street

London EC4A 3TR

**DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 30 November 1992.

ACTIVITIES

The company was engaged in the electronic audio-visual business by way of a partnership. Following the sale of the partnership share on 23 August 1991, the company has been non-trading and no change is anticipated in the foreseeable future. Interest has been earned on cash balances in the current year.

RESULTS, DIVIDENDS AND TRANSFERS TO RESERVES

The company made a loss after taxation of £7,706 (1991 - profit £1,760,909). The directors do not recommend the payment of a dividend in the current year (1991 - £4,300,000) and the retained loss of £7,706 (1991 - loss - £2,539,091) has been transferred from reserves.

DIRECTORS

The present directors are shown on page 1. The following directors served during the year and subsequent to the year end:

P L A Dupuis (appointed 3 August 1993)

C S Matthews (resigned 3 August 1993)

G Morrow

E T Nass (appointed 3 August 1993)

A A Rasmussen (resigned 3 August 1993)

J N Sharood (resigned 3 August 1993)

There are no directors' interests requiring disclosure under the Companies Act 1985.

AUDITORS

Touche Ross & Co. have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

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

G Morrow

Secretary

13 October 1993

**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 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. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for prevention and detection of fraud and other irregularities.



Chartered Accountants

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RCA AUDIO VISUALS LIMITED

AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 5 to 8 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3 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 30 November 1992 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

TOUCHE ROSS & CO.

Chartered Accountants and
Registered Auditors

17 October 1993


PROFIT AND LOSS ACCOUNT
Year ended 30 November 1992

	Note	1992 £	1991 £
Share of partnership losses	1	-	(488,000)
Administrative expenses		(17,281)	(94,065)
OPERATING LOSS		(17,281)	(582,065)
Other interest receivable and similar income		13,781	63,763
Exceptional item	2	-	3,184,931
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	(3,500)	2,666,629
Tax charge on (loss)/profit on ordinary activities	4	(4,206)	(905,720)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(7,706)	1,760,909
Dividends paid	5	-	(4,300,000)
Loss transferred from reserves		(7,706)	(2,539,091)
Profit and loss account brought forward		<u>797,089</u>	<u>3,336,180</u>
Profit and loss account carried forward		<u>789,383</u>	<u>797,089</u>



BALANCE SHEET
30 November 1992

	Note	1992 £	1991 £
CURRENT ASSETS			
Debtors	6		
Amounts falling due within one year		242,571	2,802
Amounts falling due after more than one year			
Cash at bank and in hand		747,003	733,333
		46,246	5,763,025
		<u>1,035,820</u>	<u>6,499,160</u>
CREDITORS: amounts falling due within one year			
Amounts owed to parent company		-	4,027,832
Taxation		244,320	1,667,237
Accruals and deferred income		2,115	7,000
		<u>246,435</u>	<u>5,702,069</u>
NET CURRENT ASSETS		<u>789,385</u>	<u>797,091</u>
CAPITAL AND RESERVES			
Called up share capital	7	2	2
Profit and loss account		789,383	797,089
		<u>789,385</u>	<u>797,091</u>

These financial statements were approved by the Board of Directors on 13 October 1993.

Signed on behalf of the Board of Directors

G Morrow

Director



NOTES TO THE ACCOUNTS
Year ended 30 November 1992

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.

Results of the partnership

The company's share of results from the partnership is based on the partnership's latest annual financial statements drawn up until the date of disposal of the interest in the partnership on 23 August 1991.

Deferred taxation

Deferred taxation is provided at the anticipated tax rates on timing differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements to the extent that it is probable that a liability or asset will crystallise in the future.

2. EXCEPTIONAL ITEM

	1992 £	1991 £
Profit on disposal	-	3,184,931

The exceptional item is the profit realised on the sale of the partnership share in RCA Columbia Pictures Video UK on 23 August 1991.

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

No director received any remuneration for services to the company during the year (1991 - £nil). The company had no employees during the year (1991 - nil). Auditors' remuneration is charged through another group company.

4. TAX CHARGE ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

	1992 £	1991 £
United Kingdom corporation tax at 33% (1991 - 33.3%) based on the (loss)/profit for the year	1,607	925,000
Prior year adjustment	2,599	(19,280)
	<u>4,206</u>	<u>905,720</u>



NOTES TO THE ACCOUNTS
Year ended 30 November 1992

5. DIVIDENDS

	1992 £	1991 £
Dividend paid in the year at £2,150,000 per £1 share	-	4,300,000

6. DEBTORS

	1992 £	1991 £
Amounts falling due within one year:		
Amounts owed by parent company	242,571	-
Prepayments and accrued income	-	2,802
	242,571	2,802
Amounts falling due after more than one year:		
ACT recoverable	747,003	733,333
	989,574	736,135

7. CALLED UP SHARE CAPITAL

	1992 £	1991 £
Authorised:		
Ordinary shares of £1 each	100	100
Allotted and fully paid:		
Ordinary shares of £1 each	2	2

8. ULTIMATE PARENT COMPANY

The ultimate parent company is the General Electric Company, which is incorporated in the state of New York in the United States of America. The financial statements of the company are available from General Electric Company, 3135 Easton Turnpike, Fairfield, Connecticut 06431.

The parent company is RCA International Limited which is incorporated in Great Britain and registered in England and Wales. Financial statements of the company are available from Companies House, Crown Way, Maindy, Cardiff CF4 3UZ.

9. CASH FLOW STATEMENT

A cash flow statement is not presented as part of these financial statements. The company has obtained an exemption from doing so under Financial Reporting Statement No 1 "Cash Flow Statements" as the immediate parent company produces a consolidated cash flow statement as part of its financial statements. The address from where a copy of these financial statements can be obtained is disclosed in note 8 to the accounts.