

Bell Theatre Services Limited

Company No. 2129237

Financial Statements

For the year ended

31 March 2006



Bell Theatre Services Limited

Company Information

Directors

S.M. Mitchell
C.M. Bell

Secretary

S. Dixon

Registered Office

9b Chester Road
Borehamwood
Hertfordshire
WD6 1LT

Auditors

Kingston Smith LLP
Orbital House
20 Eastern Road
Romford
Essex, RM1 3PJ

Bell Theatre Services Limited

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Bell Theatre Services Limited

Report of the Directors

The directors have pleasure in presenting their report and financial statements for the year ended 31 March 2006.

Principal activities

The principal activity of the company throughout the year was that of installation and sale of cinema sound projection equipment and equipment for cinemas. The company also provides service contracts in respect of the equipment provided and fitted by the company.

Directors

The following directors have held office since 1 April 2005:

S.M. Mitchell
C.M. Bell

Directors and their interests

The directors who served the company during the year together with their interests (including family interests) in the shares of the company at the beginning (or subsequent date of appointment) and end of the year, were as follows:

	Ordinary shares of £ 1 each	
	31 March 2006	1 April 2005
S.M. Mitchell	-	-
C.M. Bell	2	2

Auditors

On 1st May 2006, Kingston Smith transferred their business to Kingston Smith LLP, a limited liability partnership incorporated under the Limited Liability Partnership Act 2000. The company's consent has been given to treating the appointment of Kingston Smith as extending to Kingston Smith LLP under the provision of section 26(5) of the Companies Act 1989. Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditors for the ensuing year.

Disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Small company rules

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the Board

9b Chester Road
Borehamwood
Hertfordshire
WD6 1LT



C.M. Bell
Director

Date: 30/01/2007

Bell Theatre Services Limited

Directors' Responsibilities & Report of the Auditors

Statement of directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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; and prepare the financial statements on a going concern basis unless it is inappropriate to assume 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.

Independent Auditors' Report to the Shareholders of Bell Theatre Services Limited

We have audited the financial statements of Bell Theatre Services Limited for the year ended 31 March 2006 which comprise the profit and loss account, balance sheet and related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditors' report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We report to you whether in our opinion the information given in the director's report is consistent with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

Bell Theatre Services Limited
Directors' Responsibilities & Report of the Auditors (continued)

Opinion

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2006 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 and the information given in the director's report is consistent with the financial statements.

Orbital House
20 Eastern Road
Romford
Essex, RM1 3PJ

Date: 31st January 2007

Kingston Smith LLP
Chartered Accountants
and Registered Auditors

Kingston Smith LLP

Bell Theatre Services Limited

Profit And Loss Account For the year ended 31 March 2006

	Notes	2006 £	2005 £
Turnover	2	3,062,987	3,300,261
Cost of sales		(1,746,587)	(1,942,640)
Gross profit		1,316,400	1,357,621
Administrative expenses		(1,290,806)	(1,227,503)
Operating profit	3	25,594	130,118
Other interest receivable and similar income	4	83,346	73,297
Interest payable and similar charges		(7,289)	(9,624)
Profit on ordinary activities before taxation		101,651	193,791
Tax on profit on ordinary activities	5	(23,846)	(65,286)
Profit for the year	14	77,805	128,505

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

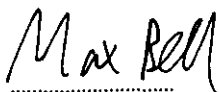
Bell Theatre Services Limited

Balance Sheet As at 31 March 2006

	Notes	2006 £	£	2005 £	£
Fixed assets					
Tangible assets	6 and 7		390,037		427,289
Current assets					
Stocks		732,660		362,057	
Debtors	8	1,507,377		1,546,898	
Cash at bank and in hand		382,204		350,730	
		<u>2,622,241</u>		<u>2,259,685</u>	
Creditors: amounts falling due within one year	9	<u>(1,006,473)</u>		<u>(678,033)</u>	
Net current assets			<u>1,615,768</u>		<u>1,581,652</u>
Total assets less current liabilities			<u>2,005,805</u>		<u>2,008,941</u>
Creditors: amounts falling due after more than one year	10		(31,135)		(107,576)
Provisions for liabilities	11		-		(4,500)
			<u>1,974,670</u>		<u>1,896,865</u>
Capital and reserves					
Called up share capital	13		2		2
Profit and loss account	14		<u>1,974,668</u>		<u>1,896,863</u>
Shareholders' funds	15		<u>1,974,670</u>		<u>1,896,865</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board and authorised for issue on 30/01/2007



C.M. Bell
Director

Bell Theatre Services Limited

Notes To The Financial Statements For the year ended 31 March 2006

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with United Kingdom Accounting Standards (Generally Accepted Accounting Practice).

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 other than freehold land 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 Freehold	over 3 years
Plant and machinery	over 2 years
Fixtures, fittings & equipment	over 4 years
Motor vehicles	over 4 years

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the applicable accounting standard, SSAP19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 1985 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

1.4 Leasing

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

1.5 Stock

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost includes all direct costs incurred in bringing the stocks to their present location and condition, including where appropriate, a proportion of manufacturing overheads.

1.6 Pensions

The company contributes to personal pension schemes on behalf of employees. Pension costs charged in the financial statements represent the cost payable by the company during the year.

1.7 Deferred taxation

In accordance with FRS 19, deferred tax is recognised as a liability or asset if transactions or events that give the company the obligation to pay more tax in future or a right to pay less tax in future have occurred by the balance sheet date.

1.8 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 Turnover

In the year to 31 March 2006 11% (2005 - 10%) of the company's turnover was to markets outside the United Kingdom.

Bell Theatre Services Limited

Notes To The Financial Statements (continued) For the year ended 31 March 2006

3 Operating profit	2006	2005
	£	£
Operating profit is stated after charging:		
Amortisation of intangible assets	34,798	17,047
Depreciation of tangible assets	332,961	171,265
Loss on foreign exchange transactions	63,849	22,062
Operating lease rentals	60,625	100,000
Auditors' remuneration	10,000	10,000
Directors' emoluments	101,818	97,624
and after crediting:		
Profit on disposal of tangible assets	20,482	-

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2005 - 1).

4 Investment income	2006	2005
	£	£
Bank interest	11,359	12,539
Other interest	71,987	60,758
	83,346	73,297

Bell Theatre Services Limited

Notes To The Financial Statements (continued) For the year ended 31 March 2006

5 Taxation	2006 £	2005 £
Domestic current year tax		
U.K. corporation tax	73,504	40,617
	<hr/>	<hr/>
Current tax charge	73,504	40,617
	<hr/>	<hr/>
Deferred tax		
Deferred tax charge credit current year	(49,658)	24,669
	<hr/>	<hr/>
	23,846	65,286
	<hr/>	<hr/>
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	101,651	193,791
	<hr/>	<hr/>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2005 - 30.00%)	30,495	58,137
	<hr/>	<hr/>
Effects of:		
Non deductible expenses	13,118	1,937
Depreciation add back	110,328	56,494
Capital allowances	(61,571)	(60,468)
Chargeable disposals	(6,145)	-
Other tax adjustments	(12,721)	(15,483)
	<hr/>	<hr/>
	43,009	(17,520)
	<hr/>	<hr/>
Current tax charge	(73,504)	(40,617)
	<hr/>	<hr/>

Bell Theatre Services Limited

Notes To The Financial Statements (continued) For the year ended 31 March 2006

6 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 April 2005	126,638	1,047,462	1,174,100
Additions	20,480	331,189	351,669
Disposals	-	(74,897)	(74,897)
	<hr/>	<hr/>	<hr/>
At 31 March 2006	147,118	1,303,754	1,450,872
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 April 2005	40,145	706,666	746,811
On disposals	-	(53,735)	(53,735)
Charge for the year	34,798	332,961	367,759
	<hr/>	<hr/>	<hr/>
At 31 March 2006	74,943	985,892	1,060,835
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 March 2006	72,175	317,862	390,037
	<hr/>	<hr/>	<hr/>
At 31 March 2005	86,493	340,796	427,289
	<hr/>	<hr/>	<hr/>

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery £
Net book values	
At 31 March 2006	102,622
	<hr/>
At 31 March 2005	138,295
	<hr/>
Depreciation charge for the year	
At 31 March 2006	101,838
	<hr/>
At 31 March 2005	29,220
	<hr/>

Bell Theatre Services Limited

Notes To The Financial Statements (continued) For the year ended 31 March 2006

7 Tangible fixed assets

	Investment properties £
Cost	
At 1 April 2005 & at 31 March 2006	75,000
Depreciation	
At 1 April 2005 & at 31 March 2006	75,000
Net book value	
At 31 March 2006	-
At 31 March 2005	-

8 Debtors

	2006 £	2005 £
Trade debtors	286,018	499,063
Other debtors	1,176,201	1,047,835
Deferred tax asset (see note 11)	45,158	-
	<u>1,507,377</u>	<u>1,546,898</u>

Included within other debtors is a deferred tax asset of £nil (2004: £20,169). The deferred tax asset has been recognised in the accounts because it is the directors opinion that this timing difference will be reversed in future periods.

9 Creditors: amounts falling due within one year

	2006 £	2005 £
Net obligations under finance leases	153,562	138,913
Trade creditors	485,164	127,650
Taxation and social security	142,963	105,130
Other creditors	224,784	306,340
	<u>1,006,473</u>	<u>678,033</u>

Bell Theatre Services Limited

Notes To The Financial Statements (continued) For the year ended 31 March 2006

10 Creditors: amounts falling due after more than one year	2006 £	2005 £
Net obligations under finance leases	31,135	107,576
Net obligations under finance leases		
Repayable within one year	153,562	138,913
Repayable between one and five years	31,135	107,576
	<u>184,697</u>	<u>246,489</u>

11 Provisions for liabilities and charges

The deferred tax asset (included in debtors, note 8) is made up as follows:

	2006 £
Balance at 1 April 2005	4,500
Profit and loss account	(49,658)
	<u>(45,158)</u>
Balance at 31 March 2006	<u>(45,158)</u>

	2006 £	2005 £
Decelerated capital allowances	(45,158)	4,500

12 Pension costs

Defined contribution

	2006 £	2005 £
Contributions payable by the company for the year	<u>23,481</u>	<u>32,575</u>

Bell Theatre Services Limited

Notes To The Financial Statements (continued) For the year ended 31 March 2006

13 Share capital	2006	2005
	£	£
Authorised		
1,000 Ordinary shares of £1 each	1,000	1,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2
	<u> </u>	<u> </u>

14 Statement of movements on profit and loss account

Profit and loss account

	£
Balance at 1 April 2005	1,896,863
Profit for the year	77,805
	<u> </u>
Balance at 31 March 2006	1,974,668
	<u> </u>

15 Reconciliation of movements in shareholders' funds

	2006	2005
	£	£
Profit for the financial year	77,805	128,505
Opening shareholders' funds	1,896,865	1,768,360
	<u> </u>	<u> </u>
Closing shareholders' funds	1,974,670	1,896,865
	<u> </u>	<u> </u>

16 Financial commitments

At 31 March 2006 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2007:

	Land and buildings 2006	2005
	£	£
Operating leases which expire:		
Between two and five years	100,000	-
In over five years	-	100,000
	<u> </u>	<u> </u>
	100,000	100,000
	<u> </u>	<u> </u>

Bell Theatre Services Limited

Notes To The Financial Statements (continued) For the year ended 31 March 2006

17 Control

C M Bell is the controlling party by virtue of holding 100% of the issued share capital.

18 Related party transactions

The company's investment property represents the potential proceeds of sale of a one third equitable interest in a long leasehold property at 3/4 St Saviour's Wharf, Mill Street, London. At the time of the investment, the legal title of the property was held by Stephen Mitchell and Co, a partnership in which S M Mitchell was a partner. In the opinion of the directors the investment in the potential proceeds on sale is not quantifiable.

The company is owed £802,749 (2005: £744,749) by Search 4 Space Limited, a company of which S M Mitchell and C M Bell are both directors holding 15% and 85% of the share capital respectively. The loan is repayable on demand and interest is charged at Bank of England base rate plus 2%. Interest receivable of £255,481 (2005: £189,317) has been accrued in these accounts. Bell Theatre Services Limited occupy premises owned by Search 4 Space Limited at a market rent of £100,000 per annum. Included within accruals is £39,375 (2005: £39,375) owed to Search 4 Space Limited.

Included in trade debtors is £5,875 (2005: £nil) and in trade creditors is £10,750 (2005: £nil) due to and from the company respectively in respect of Search 4 Space Limited.

A loan of £60,000 to European Care Limited is included in the balance sheet under other debtors. The loan is repayable within 5 years and interest is charged at Bank of England base rate plus 2%. Interest receivable of £27,624 (2005: £22,134) has been accrued in these accounts. S M Mitchell is a director of European Care Limited.

Included within other creditors is an amount of £116,334 (2005: £109,045) owed to C M Bell. Also, included in other debtors is an amount owed to the company by C M Bell for £nil (2005: £3,746).