

BELL THEATRE SERVICES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2008

WEDNESDAY



A82 *AFOM46IR* 26
14/01/2009
COMPANIES HOUSE

BELL THEATRE SERVICES LIMITED

COMPANY INFORMATION

Directors

S.M. Mitchell
C.M. Bell

Secretary

S. Dixon

Company number

2129237

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

CONTENTS

| | Page |
|-----------------------------------|-------------|
| Directors' report | 1 - 2 |
| Independent auditors' report | 3 - 4 |
| Profit and loss account | 5 |
| Balance sheet | 6 |
| Notes to the financial statements | 7 - 14 |

BELL THEATRE SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2008

The directors present their report and financial statements for the year ended 31 March 2008.

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 2007:

S.M. Mitchell

C.M. Bell

| Charitable donations | 2008 £ | 2007 £ |
|--|-----------|-----------|
| During the year the company made the following payments: | | |
| Charitable donations | 350 | - |

Auditors

In accordance with the Company's Articles, a resolution proposing that Kingston Smith LLP be reappointed as auditors of the company will be put at a General Meeting.

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 that disclose with reasonable accuracy at any time the financial position of the company and 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.

BELL THEATRE SERVICES LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008


Statement of disclosure to auditor

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



C.M. Bell

Director

12/01/2009

BELL THEATRE SERVICES LIMITED

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 2008 set out on pages 5 to 14. These financial statements have been prepared under 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 so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

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 whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

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

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF BELL THEATRE SERVICES LIMITED

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 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

Kingston Smith LLP
Chartered Accountants
Registered Auditors



13 January 2009

Orbital House
20 Eastern Road
Romford
Essex, RM1 3PJ

BELL THEATRE SERVICES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2008

| | Notes | 2008 £ | 2007 £ |
|--|-----------|-------------|-------------|
| Turnover | 2 | 5,124,085 | 3,454,230 |
| Cost of sales | | (3,595,962) | (2,111,901) |
| Gross profit | | 1,528,123 | 1,342,329 |
| Administrative expenses | | (1,241,580) | (1,310,261) |
| Operating profit | 3 | 286,543 | 32,068 |
| Other interest receivable and similar income | 4 | 75,626 | 93,499 |
| Interest payable and similar charges | | (3,330) | (5,926) |
| Profit on ordinary activities before taxation | | 358,839 | 119,641 |
| Tax on profit on ordinary activities | 5 | (100,079) | (45,029) |
| Profit for the year | 14 | 258,760 | 74,612 |

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 2008

| | Notes | 2008 £ | £ | 2007 £ | £ |
|--|---------|------------------|------------------|--------------------|------------------|
| Fixed assets | | | | | |
| Tangible assets | 6 and 7 | | 180,747 | | 257,799 |
| Current assets | | | | | |
| Stocks | | 1,366,786 | | 1,000,418 | |
| Debtors | 8 | 1,252,598 | | 1,111,767 | |
| Cash at bank and in hand | | 496,766 | | 725,754 | |
| | | <u>3,116,150</u> | | <u>2,837,939</u> | |
| Creditors: amounts falling due within one year | 9 | <u>(984,746)</u> | | <u>(1,029,271)</u> | |
| Net current assets | | | <u>2,131,404</u> | | <u>1,808,668</u> |
| Total assets less current liabilities | | | <u>2,312,151</u> | | <u>2,066,467</u> |
| Creditors: amounts falling due after more than one year | 10 | | (4,109) | | (17,185) |
| | | | <u>2,308,042</u> | | <u>2,049,282</u> |
| Capital and reserves | | | | | |
| Called up share capital | 13 | | 2 | | 2 |
| Profit and loss account | 14 | | 2,308,040 | | 2,049,280 |
| Shareholders' funds | 15 | | <u>2,308,042</u> | | <u>2,049,282</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 12/01/2009

Max Bell

C.M. Bell
Director

BELL THEATRE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

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

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

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

1.5 Stock

Stock is valued at the lower of cost and net realisable value.

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.

BELL THEATRE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

1 Accounting policies

(continued)

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.

1.9 Equipment leased to customers

Equipment leased to customers has been included at cost in the fixed assets of the company. The leases are deemed to be operating leases by virtue of the majority of the useful economic life of the asset remaining with the company.

2 Turnover

In the year to 31 March 2008 11% (2007 - 9%) of the company's turnover was to markets outside the United Kingdom.

3 Operating profit

| | 2008 £ | 2007 £ |
|--|-----------|-----------|
| Operating profit is stated after charging: | | |
| Amortisation of intangible assets | 41,116 | 43,062 |
| Depreciation of tangible assets | 137,129 | 215,857 |
| Loss on foreign exchange transactions | 66,225 | 28,457 |
| Operating lease rentals | 115,000 | 119,464 |
| Auditors' remuneration | 11,800 | 11,000 |
| Directors' emoluments | 123,726 | 103,421 |
| and after crediting: | | |
| Profit on disposal of tangible assets | 12,000 | 88,353 |

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2007 - 1).

4 Investment income

| | 2008 £ | 2007 £ |
|----------------|---------------|---------------|
| Bank interest | 31,946 | 13,638 |
| Other interest | 43,680 | 60,079 |
| | <u>75,626</u> | <u>93,499</u> |

BELL THEATRE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

| 5 | Taxation | 2008 £ | 2007 £ |
|---|---|-----------|-----------|
| | Domestic current year tax | | |
| | U.K. corporation tax | 122,970 | 26,962 |
| | Adjustment for prior years | - | 383 |
| | | <hr/> | <hr/> |
| | Current tax charge | 122,970 | 27,345 |
| | Deferred tax | | |
| | Deferred tax charge | (22,891) | 17,684 |
| | | <hr/> | <hr/> |
| | | 100,079 | 45,029 |
| | | <hr/> | <hr/> |
| | Factors affecting the tax charge for the year | | |
| | Profit on ordinary activities before taxation | 358,839 | 119,641 |
| | | <hr/> | <hr/> |
| | Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2007 - 19.00%) | 107,652 | 22,732 |
| | | <hr/> | <hr/> |
| | Effects of: | | |
| | Non deductible expenses | 7,749 | (16,303) |
| | Depreciation add back | 53,473 | 49,195 |
| | Capital allowances | (34,380) | (28,664) |
| | Small company's relief | (7,923) | - |
| | Other tax adjustments | (3,601) | 385 |
| | | <hr/> | <hr/> |
| | | 15,318 | 4,613 |
| | | <hr/> | <hr/> |
| | Current tax charge | 122,970 | 27,345 |
| | | <hr/> | <hr/> |

BELL THEATRE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

6 Tangible fixed assets

| | Land and buildings | Plant and machinery etc | Total |
|-----------------------|-----------------------|----------------------------|-----------|
| | £ | £ | £ |
| Cost | | | |
| At 1 April 2007 | 170,321 | 1,302,701 | 1,473,022 |
| Additions | 4,545 | 96,648 | 101,193 |
| Disposals | - | (11,899) | (11,899) |
| At 31 March 2008 | 174,866 | 1,387,450 | 1,562,316 |
| Depreciation | | | |
| At 1 April 2007 | 118,005 | 1,097,218 | 1,215,223 |
| On disposals | - | (11,899) | (11,899) |
| Charge for the year | 41,116 | 137,129 | 178,245 |
| At 31 March 2008 | 159,121 | 1,222,448 | 1,381,569 |
| Net book value | | | |
| At 31 March 2008 | 15,745 | 165,002 | 180,747 |
| At 31 March 2007 | 52,316 | 205,483 | 257,799 |

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

| | Plant and machinery £ |
|---|-----------------------------|
| Net book values | |
| At 31 March 2008 | 36,187 |
| At 31 March 2007 | 67,322 |
| Depreciation charge for the year | |
| At 31 March 2008 | 14,553 |
| At 31 March 2007 | 77,033 |

BELL THEATRE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

7 Tangible fixed assets

| | Investment properties £ |
|------------------------------------|-------------------------------|
| Cost | |
| At 1 April 2007 & at 31 March 2008 | 75,000 |
| Depreciation | |
| At 1 April 2007 & at 31 March 2008 | 75,000 |
| Net book value | |
| At 31 March 2008 | - |
| At 31 March 2007 | - |

8 Debtors

| | 2008 £ | 2007 £ |
|----------------------------------|------------------|------------------|
| Trade debtors | 594,565 | 485,650 |
| Other debtors | 607,668 | 598,643 |
| Deferred tax asset (see note 11) | 50,365 | 27,474 |
| | <u>1,252,598</u> | <u>1,111,767</u> |

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

| | 2008 £ | 2007 £ |
|--------------------------------------|----------------|------------------|
| Net obligations under finance leases | 13,243 | 33,157 |
| Trade creditors | 509,675 | 844,477 |
| Taxation and social security | 218,961 | 100,637 |
| Other creditors | 242,867 | 51,000 |
| | <u>984,746</u> | <u>1,029,271</u> |

Of the other creditors balance shown, £50,000 (2007: £25,000) related to defined benefit pension contributions due but not paid at the year end.

BELL THEATRE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

| | | |
|---|-------------|-------------|
| 10 Creditors: amounts falling due after more than one year | 2008 | 2007 |
| | £ | £ |
| Net obligations under finance leases | 4,109 | 17,185 |
| Net obligations under finance leases | | |
| Repayable within one year | 13,243 | 33,157 |
| Repayable between one and five years | 4,109 | 17,185 |
| | 17,352 | 50,342 |

11 Provisions for liabilities and charges

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

| | |
|--------------------------|-------------|
| | 2008 |
| | £ |
| Balance at 1 April 2007 | (27,474) |
| Profit and loss account | (22,891) |
| Balance at 31 March 2008 | (50,365) |

| | | |
|--------------------------------|-------------|-------------|
| | 2008 | 2007 |
| | £ | £ |
| Decelerated capital allowances | (50,365) | (27,474) |

12 Pension and other post-retirement benefit commitments

Defined contribution

| | | |
|---|-------------|-------------|
| | 2008 | 2007 |
| | £ | £ |
| Contributions payable by the company for the year | 28,777 | 77,885 |

BELL THEATRE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

| | | |
|---|-------------|-------------|
| 13 Share capital | 2008 | 2007 |
| | £ | £ |
| Authorised | | |
| 1,000 Ordinary shares of £1 each | 1,000 | 1,000 |
| | <hr/> | <hr/> |
| Allotted, called up and fully paid | | |
| 2 Ordinary shares of £1 each | 2 | 2 |
| | <hr/> | <hr/> |

| | |
|---|--------------------------------|
| 14 Statement of movements on profit and loss account | Profit and loss account |
| | £ |
| Balance at 1 April 2007 | 2,049,280 |
| Profit for the year | 258,760 |
| | <hr/> |
| Balance at 31 March 2008 | 2,308,040 |
| | <hr/> |

| | | |
|--|-------------|-------------|
| 15 Reconciliation of movements in shareholders' funds | 2008 | 2007 |
| | £ | £ |
| Profit for the financial year | 258,760 | 74,612 |
| Opening shareholders' funds | 2,049,282 | 1,974,670 |
| | <hr/> | <hr/> |
| Closing shareholders' funds | 2,308,042 | 2,049,282 |
| | <hr/> | <hr/> |

16 Financial commitments

At 31 March 2008 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2009:

| | Land and buildings | |
|--------------------------------|--------------------|---------|
| | 2008 | 2007 |
| | £ | £ |
| Operating leases which expire: | | |
| Between two and five years | 115,000 | 115,000 |

17 Control

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

BELL THEATRE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

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 £114,562 (2007: £114,562) 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 £363,740 (2007: £329,198) has been accrued in these accounts. Bell Theatre Services Limited occupy premises owned by Search 4 Space Limited at a market rent of £115,000 (2007: £115,000) per annum. Included within other debtors is £nil (2007: £7,500) owed by Search 4 Space Limited. A management charge of £10,750 (2007: £7,500) was charged to Search 4 Space Limited.

A loan of £60,000 (2007: £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 £41,088 (2007: £33,768) has been accrued in these accounts. S M Mitchell was a director of European Care Limited.