

**UFA VIDEO AND MEDIA (UK) LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**30 JUNE 1995**

**Registered Number: 2218343**



## **UFA VIDEO AND MEDIA (UK) LIMITED**

### **DIRECTORS' REPORT**

The directors present their report and the audited financial statements of the company for the year ended 30 June 1995.

#### **PRINCIPAL ACTIVITY**

The principal activity of the company is the exploitation of video rights. There have been no business transactions during the year.

#### **DIVIDENDS**

The directors do not recommend the payment of a dividend (1994: £Nil).

#### **FUTURE PROSPECTS**

The directors are of the opinion that the company may continue to trade in the foreseeable future.

#### **DIRECTORS**

The directors who held office during the year were:

Ratnam Bala-Ratnam	(resigned 1 February 1995)
John Preston	
Mark Stanton	(appointed 1 February 1995)

#### **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 and 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

## **UFA VIDEO AND MEDIA (UK) LIMITED**

### **DIRECTORS' REPORT (CONTINUED)**

#### **DIRECTORS' RESPONSIBILITIES (CONTINUED)**

- 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.

#### **AUDITORS**

Price Waterhouse have expressed their willingness to continue in office as auditors and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

By Order of the Board



Peter Wareham  
Secretary

17th April 1996

Bedford House  
69-79 Fulham Palace Road  
London  
SW6 3JW

*Price Waterhouse*



## **REPORT OF THE AUDITORS TO THE MEMBERS OF UFA VIDEO AND MEDIA (UK) LIMITED**

We have audited the financial statements on pages 4 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on pages 1 and 2 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 June 1995 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Price Waterhouse*

Price Waterhouse  
Chartered Accountants  
and Registered Auditors

Southwark Towers  
32 London Bridge Street  
LONDON SE1 9SY

17 April 1996

# UFA VIDEO AND MEDIA (UK) LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 1995

	<u>Notes</u>	<u>1995</u> £	<u>1994</u> £
<b>TURNOVER</b>	2	-	-
Cost of sales		<u>-</u>	<u>-</u>
<b>GROSS PROFIT</b>		-	-
Administrative expenses		<u>-</u>	<u>-</u>
<b>OPERATING PROFIT</b>			
Interest receivable and similar income		-	-
Interest payable and similar charges		<u>-</u>	<u>-</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		-	-
Tax on profit/(loss) on ordinary activities		<u>-</u>	<u>-</u>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		-	-
<b>DEFICIT ON RESERVES BROUGHT FORWARD</b>		<u>-</u>	<u>-</u>
<b>DEFICIT ON RESERVES CARRIED FORWARD</b>		<u>(42,730)</u>	<u>(42,730)</u>

There were no recognised gains or losses other than the profit for the year.

The notes on pages 6 to 8 form part of these financial statements.

# UFA VIDEO AND MEDIA (UK) LIMITED

## BALANCE SHEET - 30 JUNE 1995

	<u>Notes</u>	<u>1995</u> £	<u>1994</u> £
<b>CURRENT ASSETS</b>			
Debtors	5	<u>1,442</u>	<u>1,442</u>
		1,442	1,442
<b>CREDITORS (amounts falling due within one year)</b>	6	<u>(44,072)</u>	<u>(44,072)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(42,630)</u>	<u>(42,630)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(42,630)</u>	<u>(42,630)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	7	100	100
Profit and loss account		<u>(42,730)</u>	<u>(42,730)</u>
<b>SHAREHOLDER'S FUNDS</b>	8	<u>(42,630)</u>	<u>(42,630)</u>

Approved by the Board on  
17th April 1996

M Stanton

Director



The notes on pages 6 to 8 form part of these financial statements.

## **UFA VIDEO AND MEDIA (UK) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 1995**

#### **1 ACCOUNTING POLICIES**

##### **(1) Accounting convention and Accountancy Standards**

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

##### **(2) Turnover**

Turnover represents royalties receivable excluding VAT.

##### **(3) Royalty advances**

Advances paid to artists in respect of future royalties together with recording costs recoverable from future royalties are carried forward as an asset pending recovery through royalties earned on future video sales. When recovery is uncertain, these costs are written down to estimated recoverable amounts.

#### **2 TURNOVER**

All turnover was generated in the United Kingdom.

#### **3 DIRECTORS' EMOLUMENTS**

None of the directors received any emoluments in respect of their services to the company during the year (1994: £Nil).

#### **4 EMPLOYEES**

The average number of employees during the year was nil (1994: £Nil).

# UFA VIDEO AND MEDIA (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 1995 (CONTINUED)

### 5 DEBTORS

	<u>1995</u> £	<u>1994</u> £
Royalty advances	500	500
Amounts owed by group undertakings - group relief	<u>942</u>	<u>942</u>
	1,442	1,442
	<u><u>          </u></u>	<u><u>          </u></u>

### 6 CREDITORS (amounts falling due within one year)

	<u>1995</u> £	<u>1994</u> £
Amounts owed to group undertakings	43,908	43,908
Amounts owed to group undertakings - group relief	<u>164</u>	<u>164</u>
	44,072	44,072
	<u><u>          </u></u>	<u><u>          </u></u>

### 7 CALLED UP EQUITY SHARE CAPITAL

	<u>1995</u> £	<u>1994</u> £
Authorised, allotted and fully paid 100 ordinary shares at £1 each	<u>100</u>	<u>100</u>



## **UFA VIDEO AND MEDIA (UK) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 1995 (CONTINUED)**

#### **8 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

There was no movement in shareholders' funds during the year.

#### **9 FINANCIAL POSITION**

The holding company has indicated that it is its present intention to procure finance to enable the company to meet its liabilities as they fall due.

#### **10 ULTIMATE HOLDING COMPANY**

The ultimate holding company of UFA Video and Media (UK) Limited is Bertelsmann AG, a company incorporated in Germany.

#### **11 PARENT UNDERTAKING**

The largest and smallest group for which group accounts are prepared, and of which the company is a member, is as follows:

Name	Bertelsmann AG
Country of incorporation	Germany
Address from where copies of the Group accounts can be obtained	Carl Bertelsmann Strasse 270 33311 Gütersloh 1 Germany