



Company Registration No. 2279781 (England and Wales)

COMO



EGRIPMENT UK LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1997



EGRIPMENT UK LIMITED



COMPANY INFORMATION

Director	C A Tresfon
Secretary	R E Ford
Company number	2279781
Registered office	Shepperton Film Studios Studios Road Shepperton Middlesex TW17 0QD
Auditors	Greenback Alan The Mall Camden Passage London N1 0PD
Bankers	Lloyds Bank Plc 1 Walm Lane Willesden Green London NW2 5SN ABN AMRO Bank 101 Moorgate London EC2M 6SB



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**DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 1997**

The director presents his report and financial statements for the year ended 31 December 1997.

Principal activities

The principal activity of the company continued to be that of development, manufacture and sale of film and television equipment.

Director

The following director has held office since 1 January 1997:

C A Tresfon

Director's interests

The director's beneficial interest in the shares of the company was as stated below:

	Ordinary Shares of £1 each	
	31 December 1997	1 January 1997
C A Tresfon	150	150

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Greenback Alan be reappointed as auditors of the company will be put to the Annual General Meeting.

Director's responsibilities

Company law requires the director 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 director is 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 director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

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

By order of the board

C A Tresfon
Director
31 March 1998



**AUDITORS' REPORT
TO THE SHAREHOLDERS OF EGRIPMENT UK LIMITED**

We have audited the financial statements on pages 3 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of the director and auditors

As described on page 1 the company's director is 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 director 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 as at 31 December 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.

A handwritten signature in black ink, appearing to read 'Greenback Alan'.

Greenback Alan

31 March 1998

Chartered Accountants
Registered Auditor

The Mall
Camden Passage
London
N1 0PD

EGRIPMENT UK LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 1997**

		1997	1996
	Notes	£	£
Turnover		420,040	793,534
Cost of sales		(135,925)	(460,508)
Gross profit		<u>284,115</u>	<u>333,026</u>
Distribution costs		(8,501)	(3,946)
Administrative expenses		(203,015)	(185,393)
Operating profit	2	<u>72,599</u>	<u>143,687</u>
Other interest receivable and similar income	3	524	823
Interest payable and similar charges		(6,053)	(9,303)
Profit on ordinary activities before taxation		<u>67,070</u>	<u>135,207</u>
Tax on profit on ordinary activities	4	(16,686)	(41,074)
Profit on ordinary activities after taxation	11	<u><u>50,384</u></u>	<u><u>94,133</u></u>

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.

EGRIPMENT UK LIMITED**BALANCE SHEET
AS AT 31 DECEMBER 1997**

	Notes	1997 £	£	1996 £	£
Fixed assets					
Tangible assets	5		24,044		22,444
Current assets					
Stocks		78,361		79,035	
Debtors	6	149,588		131,081	
Cash at bank and in hand		24,519		16,808	
		<u>252,468</u>		<u>226,924</u>	
Creditors: amounts falling due within one year	7	<u>(145,740)</u>		<u>(135,647)</u>	
Net current assets			106,728		91,277
Total assets less current liabilities			130,772		113,721
Creditors: amounts falling due after more than one year	8		-		(33,333)
			<u>130,772</u>		<u>80,388</u>
Capital and reserves					
Called up share capital	10		300		300
Profit and loss account	11		130,472		80,088
Shareholders' funds - equity interests	12		<u>130,772</u>		<u>80,388</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.

The financial statements were approved by the Board on 31 March 1998

C A Tresfon
Director



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1997**

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

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 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:

Plant and machinery	15% per annum (reducing balance)
Fixtures, fittings & equipment	25% per annum (reducing balance)
Motor vehicles	25% per annum (reducing balance)

1.4 Leasing

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 pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

1.7 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the director, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

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 Operating profit	1997	1996
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	6,907	6,191
Operating lease rentals	16,324	17,874
Auditors' remuneration	7,000	7,000
	<u> </u>	<u> </u>



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1997**

3	Other interest receivable and similar income	1997	1996
		£	£
	Bank interest	524	823
		<hr/>	<hr/>
4	Taxation	1997	1996
		£	£
	U.K. current year taxation		
	U.K. corporation tax at 31% (1996 - 33%)	16,686	41,074
		<hr/>	<hr/>
5	Tangible fixed assets		
			Plant and machinery etc £
	Cost		
	At 1 January 1997		42,365
	Additions		20,506
	Disposals		(12,000)
			<hr/>
	At 31 December 1997		50,871
			<hr/>
	Depreciation		
	At 1 January 1997		19,920
	Charge for the year		6,907
			<hr/>
	At 31 December 1997		26,827
			<hr/>
	Net book value		
	At 31 December 1997		24,044
			<hr/>
	At 31 December 1996		22,444
			<hr/>
6	Debtors	1997	1996
		£	£
	Trade debtors	17,844	445
	Amounts owed by group undertakings and undertakings in which the company has a participating interest	123,448	125,882
	Other debtors	8,296	4,754
		<hr/>	<hr/>
		149,588	131,081
		<hr/>	<hr/>



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1997**

7 Creditors: amounts falling due within one year	1997	1996
	£	£
Bank loans and overdrafts	33,333	40,000
Trade creditors	82,432	42,857
Taxation and social security	21,192	44,521
Other creditors	8,783	8,269
	<u>145,740</u>	<u>135,647</u>
8 Creditors : amounts falling due after more than one year	1997	1996
	£	£
Bank loans	-	33,333
	<u>-</u>	<u>33,333</u>
Analysis of Loans		
Wholly repayable within five years	33,333	73,333
Included in current liabilities	(33,333)	(40,000)
	<u>-</u>	<u>33,333</u>

The aggregate amount of creditors for which security has been given amounted to £33,333 (1996 - £73,333).

9 Pension costs

The company contributes to defined contribution pension schemes. The pension cost charge represents contributions paid by the company in the year and amounted to £6,784 (1996 - £4,774).

Contributions amounting to £514 have been accrued (1996:Nil) and there were no prepaid contributions at the balance sheet date.

10 Share capital	1997	1996
	£	£
Authorised		
1,000 Ordinary Shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
300 Ordinary Shares of £1 each	300	300
	<u>300</u>	<u>300</u>

EGRIPMENT UK LIMITED



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1997

11 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 1997	80,088
Retained profit for the year	50,384
Balance at 31 December 1997	<u>130,472</u>

12 Reconciliation of movements in shareholders' funds

	1997 £	1996 £
Profit for the financial year	50,384	94,133
Opening shareholders' funds	80,388	(13,745)
Closing shareholders' funds	<u>130,772</u>	<u>80,388</u>

13 Financial commitments

At 31 December 1997 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	1997 £	1996 £
Expiry date:		
Between two and five years	<u>16,995</u>	<u>16,000</u>

14 Control

The company was controlled throughout the year by Mr C A Tresfon, the Director of the company, by virtue of him owning 50% of the company's issued share capital and controlling the company's parent company.

The company's ultimate parent company is Beheer en Beleggingsmaatschappij Tresfon B.V., a company registered in Holland.

Copies of the parent company's consolidated financial statements may be obtained from Machineweg 22, 1394 AV Nederhorst den Berg, Holland.