

CITY SCREEN (SOA) LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED

31 December 2004

Company No: 3060554



CITY SCREEN (SOA) LIMITED

ABBREVIATED ACCOUNTS

for the year ended 31 December 2004

Company registration number: 3060554

Registered office: 8 Baltic Street East
London
EC1Y 0UP

Directors: Lyn M Goleby
Anthony J Jones

Secretary: Alastair Oatey

Group Bankers: Barclays Bank plc
National Westminster Bank plc

Auditors: Silver Altman
Registered Auditors
Chartered Accountants
8 Baltic Street East
London
EC1Y 0UP

CITY SCREEN (SOA) LIMITED

ABBREVIATED ACCOUNTS

for the year ended 31 December 2004

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**AUDITORS' REPORT TO CITY SCREEN (SOA) LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages 2 to 6, together with the full statutory accounts of the company for the year ended 31 December 2004 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with s247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the accounts, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full statutory accounts.

Opinion


In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 6 are properly prepared in accordance with those provisions.

Other information

On *28 October 2005* we reported as auditors to the members of the company on the financial statements prepared under section 226 of the Companies Act 1985 and our report included the following paragraph:

Going concern

In forming our opinion we have considered the adequacy of the disclosures made in the accounts concerning the suitability of the going concern concept in the preparation of the accounts. Details of the circumstances relating to this matter are described in the accounting policies. Our opinion is not qualified in this respect.


SILVER ALTMAN
Chartered Accountants and Registered Auditors

8 Baltic Street East
London EC1Y 0UP

28 October 2005

CITY SCREEN (SOA) LIMITED

PRINCIPAL ACCOUNTING POLICIES

The following policies, which have been consistently applied, are considered material in relation to the company's financial statements.

These financial statements are prepared in accordance with applicable UK Accounting Standards.

Basis of accounting

The financial statements have been prepared under the historical cost accounting rules set out in Schedule 4 of the Companies Act 1985. The company is exempt from producing a cashflow statement.

Going Concern

The accounts have been prepared on a going concern basis which is considered appropriate as the parent undertaking has indicated that it will continue to provide financial support to enable this company to meet its debts as they fall due.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Depreciation and amortisation

Fixed assets are written down in equal instalments over their estimated useful lives. The annual rates of depreciation are:

| | |
|-----------------------|------------------------------|
| Fixtures and fittings | 15% cost |
| Plant and machinery | 10-25% cost |
| Short leasehold | over the period of the lease |

Grants

Grants in respect of capital expenditure are credited to a deferred income account and are released to the profit and loss account by equal instalments over the expected useful lives of the relevant assets.

Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account on a straight line basis.

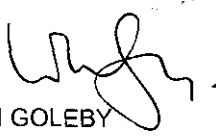
CITY SCREEN (SOA) LIMITED

ABBREVIATED BALANCE SHEET AT 31 DECEMBER 2004

| | Note | 2004 £ | 2003 £ |
|---|------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | 1 | <u>592,328</u> | <u>631,394</u> |
| Current assets | | | |
| Stocks | | 4,448 | 4,190 |
| Debtors | | 51,238 | 22,860 |
| Cash at bank and in hand | | <u>1,700</u> | <u>13,192</u> |
| | | 57,386 | 40,242 |
| Creditors: amounts falling due within one year | | <u>(903,071)</u> | <u>(796,846)</u> |
| Net current (liabilities) | | <u>(845,685)</u> | <u>(756,604)</u> |
| Total assets less current liabilities | | (253,357) | (125,210) |
| Creditors: | | <u>(419,269)</u> | <u>(454,994)</u> |
| amounts falling due after more than one year | 2 | <u>(672,626)</u> | <u>(580,204)</u> |
| Capital and reserves | | | |
| Called up share capital | 3 | 2 | 2 |
| Profit and loss account | | <u>(672,628)</u> | <u>(580,206)</u> |
| Shareholders' funds | | <u>(672,626)</u> | <u>(580,204)</u> |

The abbreviated accounts have been prepared in accordance with the special provisions Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of
the board of directors


LYN GOLEBY
Director

Approved by the board:

13th Jan 2005

CITY SCREEN (SOA) LIMITED**NOTES TO THE ABBREVIATED BALANCE SHEET**

for the year ended 31 December 2004

1 TANGIBLE FIXED ASSETS

| | Leasehold improvement £ | Plant & machinery £ | Fixtures & fittings £ | Total £ |
|-----------------------|-------------------------------|---------------------------|-----------------------------|------------------|
| Cost | | | | |
| At 1 January 2004 | 810,153 | 113,815 | 80,672 | 1,004,640 |
| Additions | - | - | 3,632 | 3,632 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 December 2004 | <u>810,153</u> | <u>113,815</u> | <u>84,304</u> | <u>1,008,272</u> |
| Depreciation | | | | |
| At 1 January 2004 | 213,080 | 81,002 | 79,164 | 373,246 |
| Charge for the year | 32,484 | 9,306 | 908 | 42,698 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 December 2004 | <u>245,564</u> | <u>90,308</u> | <u>80,072</u> | <u>415,944</u> |
| Net book value | | | | |
| At 31 December 2003 | <u>597,073</u> | <u>32,813</u> | <u>1,508</u> | <u>631,394</u> |
| At 31 December 2004 | <u>564,589</u> | <u>23,507</u> | <u>4,232</u> | <u>592,328</u> |

Creditors of £38,214 are secured on the leasehold property.

CITY SCREEN (SOA) LIMITED

NOTES TO THE ABBREVIATED BALANCE SHEET

for the year ended 31 December 2004

2 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2004 £ | 2003 £ |
|-----------------|----------------|----------------|
| Other loans | 9,375 | 16,875 |
| Deferred income | 409,894 | 438,119 |
| | <u>419,269</u> | <u>454,994</u> |

The other loan is non interest bearing and unsecured and is repayable by quarterly instalments.

| | 2004 £ | 2003 £ |
|---------------------------------|--------------|---------------|
| Within one year | 7,500 | 7,500 |
| After one and within two years | 1,875 | 7,500 |
| After two and within five years | - | 9,375 |
| | <u>9,375</u> | <u>24,375</u> |

| | 2004 £ | 2003 £ |
|---|-----------------|-----------------|
| Capital grants received on tangible fixed assets: | | |
| At 1 January 2004 | 467,477 | 496,835 |
| Released to profit and loss | <u>(31,067)</u> | <u>(29,358)</u> |
| | <u>436,410</u> | <u>467,477</u> |

| | 2004 £ | 2003 £ |
|---------------------------------|----------------|----------------|
| Due for release: | | |
| Within one year | 26,516 | 29,358 |
| After one and within two years | 25,095 | 25,096 |
| After two and within five years | 75,285 | 75,288 |
| After five years | <u>309,514</u> | <u>337,735</u> |
| | <u>436,410</u> | <u>467,477</u> |

CITY SCREEN (SOA) LIMITED**NOTES TO THE ABBREVIATED BALANCE SHEET**for the year ended 31 December 2004

3 SHARE CAPITAL

| | 2004 £ | 2003 £ |
|-------------------------------------|------------|------------|
| Authorised | | |
| 100 ordinary shares of £1 each | <u>100</u> | <u>100</u> |
| Allotted, called up and fully paid: | | |
| 2 ordinary shares of £1 each | <u>2</u> | <u>2</u> |

4 PARENT AND ULTIMATE PARENT UNDERTAKINGS

The immediate parent undertaking of the company is City Screen Limited, a company registered in England and Wales. The ultimate parent undertaking is Arts Alliance Digital Ventures Three Limited, a company incorporated in the British Virgin Islands.