

CITY SCREEN (SOA) LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED

31 December 2002

Company No: 3060554



CITY SCREEN (SOA) LIMITED

ABBREVIATED ACCOUNTS

for the year ended 31 December 2002

Company registration number: 3060554

Registered and administrative office: Hardy House
16-18 Beak Street
London
W1F 9RD

Directors: Lyn M Goleby
Anthony J Jones

Secretary: Jacquelyn Sherwood

Group Bankers: Barclays Bank
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 2002

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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 2002 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

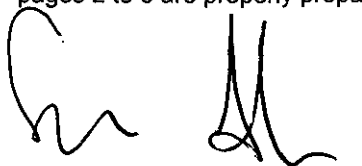
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (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.



SILVER ALTMAN
Chartered Accountants and Registered Auditors

8 Baltic Street East
London EC1Y 0UP

21 May 2003

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.

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 as incurred.

CITY SCREEN (SOA) LIMITED

ABBREVIATED BALANCE SHEET AT 31 DECEMBER 2002

	Note	2002 £	2001 £
Fixed assets			
Tangible assets	1	<u>681,239</u>	<u>719,813</u>
Current assets			
Stocks		4,742	2,857
Debtors		19,768	20,096
Cash at bank and in hand		<u>1,700</u>	<u>1,111</u>
		26,210	24,064
Creditors: amounts falling due within one year		<u>(715,158)</u>	<u>(619,129)</u>
Net current liabilities		<u>(688,948)</u>	<u>(595,065)</u>
Total assets less current liabilities		(7,709)	124,748
Creditors:		<u>(491,852)</u>	<u>(614,341)</u>
amounts falling due after more than one year	2	<u>(499,561)</u>	<u>(489,593)</u>
Capital and reserves			
Called up share capital	3	2	2
Profit and loss account		<u>(499,563)</u>	<u>(489,595)</u>
Shareholders' funds		<u>(499,561)</u>	<u>(489,593)</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: 21 May 2003

CITY SCREEN (SOA) LIMITED**NOTES TO THE ABBREVIATED BALANCE SHEET**for the year ended 31 December 2002

1 TANGIBLE FIXED ASSETS

	Leasehold improvement £	Plant & machinery £	Fixtures & fittings £	Total £
Cost				
At 1 January 2002	810,153	95,264	80,672	986,089
Additions	<u>-</u>	<u>15,374</u>	<u>-</u>	<u>15,374</u>
At 31 December 2002	<u>810,153</u>	<u>110,638</u>	<u>80,672</u>	<u>1,001,463</u>
Depreciation				
At 1 January 2002	148,288	62,960	55,028	266,276
Charge for the year	<u>32,396</u>	<u>9,484</u>	<u>12,068</u>	<u>53,948</u>
At 31 December 2002	<u>180,684</u>	<u>72,444</u>	<u>67,096</u>	<u>320,224</u>
Net book value				
At 31 December 2001	<u>661,865</u>	<u>32,304</u>	<u>25,644</u>	<u>719,813</u>
At 31 December 2002	<u>629,469</u>	<u>38,194</u>	<u>13,576</u>	<u>681,239</u>

CITY SCREEN (SOA) LIMITED

NOTES TO THE ABBREVIATED BALANCE SHEET

for the year ended 31 December 2002

2 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2002	2001
	£	£
Bank loans	-	14,656
Other loans	24,375	31,875
Deferred income	467,477	567,810
	<u>491,852</u>	<u>614,341</u>

Bank loans and overdraft of £10,569 (2001 : £33,215) are secured.

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

	2002	2001
	£	£
Within one year	7,500	21,786
After one and within two years	7,500	21,786
After two and within five years	16,875	22,869
After five years	-	1,875
	<u>31,875</u>	<u>68,316</u>

	2002	2001
	£	£
Capital grants received on tangible fixed assets:		
At 1 January 2002	589,770	611,730
Released to profit and loss	(92,935)	(21,960)
	<u>496,835</u>	<u>589,770</u>

	2002	2001
	£	£
Due for release:		
Within one year	29,358	21,960
After one and within two years	29,358	21,960
After two and within five years	75,288	65,880
After five years	362,831	479,970
	<u>496,835</u>	<u>589,770</u>

CITY SCREEN (SOA) LIMITED

NOTES TO THE ABBREVIATED BALANCE SHEET

for the year ended 31 December 2002

3 SHARE CAPITAL

	2002 £	2001 £
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 UNDERTAKING

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