

**NFTS Ealing Studios Limited**

**Report and Financial Statements**

Period Ended  
31 March 1996



**BDO Stoy Hayward**  
Chartered Accountants

# **NFTS EALING STUDIOS LIMITED**

**Report and financial statements for the period ended 31 March 1996**

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Directors

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## **Directors**

Frank Mc Gettigan  
David Kustow  
Marc Samuelson  
Alan Sapper  
Noella Smith

## **Secretary and registered office**

Henning Camre, Beaconsfield Film Studios, Station Road, Beaconsfield, Bucks HP9 1LG

## **Company number**

3062708

## **Auditors**

BDO Stoy Hayward, 8 Baker Street, London W1M 1DA

## **NFTS EALING STUDIOS LIMITED**

### **Report of the directors for the period ended 31 March 1996**

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The directors present their report together with the audited financial statements for the period ended 31 March 1996. The company was incorporated on 24 May 1995 and commenced trading on 1 June 1995.

#### **Results and dividends**

The profit and loss account is set out on page 3 and shows the profit for the period.

The directors do not recommend the payment of a dividend.

#### **Principal activities, trading review and future developments**

The principal activity of the company is the provision of film studio facilities.

The directors are satisfied with the results for the first period of trading and anticipate an improvement in the forthcoming years.

#### **Directors**

The directors of the company during the period were:-

Sir David Puttnam C.B.E. (appointed 24 May 1995, resigned 29 April 1996)  
Andy Allan (appointed 13 June 1995, resigned 29 April 1996)  
Moira Armstrong (appointed 13 June 1995, resigned 29 April 1996)  
Roger Bolton (appointed 24 May 1995, resigned 29 April 1996)  
Lord Brabourne (appointed 13 June 1995, retired 21 December 1995)  
Linda James (appointed 13 June 1995, resigned 29 April 1996)  
Sue Lawley (appointed 13 June 1995, retired 21 December 1995)  
Gus MacDonald (appointed 13 June 1995, resigned 29 April 1996)  
Frank McGettigan (appointed 13 June 1996)  
Jonathan Powell (appointed 13 June 1995, retired 21 December 1995)  
Sarah Radclyffe (appointed 13 June 1995, retired 21 December 1995)  
Brian Tesler CBE (appointed 13 June 1995, retired 21 December 1995)  
Stewart Till (appointed 13 June 1995, resigned 29 April 1996)  
Christine Walker (appointed 24 May 1995, resigned 29 April 1996)  
Michael Williams-Jones (appointed 13 June 1995, resigned 29 April 1996)  
Charles Wesoky (appointed 13 June 1995, retired 21 December 1995)  
Will Wyatt (appointed 13 June 1995, resigned 29 April 1996)  
Alan Yentob (appointed 13 June 1995, resigned 29 April 1996)  
David Kustow (appointed 29 April 1996)  
Marc Samuelson (appointed 29 April 1996)  
Alan Sapper (appointed 29 April 1996)  
Noella Smith (appointed 13 June 1995, retired 21 December 1995, reappointed 29 April 1996)

None of the directors have any interest in the share capital of the company.

## **NFTS EALING STUDIOS LIMITED**

### **Report of the directors for the period ended 31 March 1996 (*Continued*)**

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#### **Directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial period 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 directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- 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**

BDO Stoy Hayward, who were appointed as first auditors of the company by the directors, have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

#### **By order of the Board**



H Camre  
Secretary

Date: 25-9-96

# NFTS EALING STUDIOS LIMITED

## Profit and loss account for the period ended 31 March 1996

	Note	£
Turnover	2	1,101,480
Cost of sales		761,211
		<hr/>
Gross profit		340,269
Distribution costs		9,996
Administrative expenses		251,831
Gift Aid		70,000
		<hr/>
Operating profit for the period		8,442
Interest receivable		1,552
		<hr/>
Loss on ordinary activities before taxation	4	9,994
Taxation on profits from ordinary activities	6	(5,918)
		<hr/>
Profit on ordinary activities after taxation		4,076
Dividends		-
		<hr/>
Retained profit for the period		4,076
		<hr/> <hr/>

All amounts relate to continuing activities

All recognised gains and losses are included in the profit and loss account

The notes on pages 7 to 12 form part of these financial statements

**NFTS EALING STUDIOS LIMITED**

**Reconciliation of movements in shareholders' funds for the period ended 31 March 1996**

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	Note	£
<b>Reconciliation of movements in shareholders' funds</b>		
Profit for the financial period		4,076
Dividends		-
		<hr/>
New share capital subscribed		4,076 2
		<hr/>
<b>Shareholders funds at 31 March 1996</b>		<b>4,078</b>
		<hr/> <hr/>

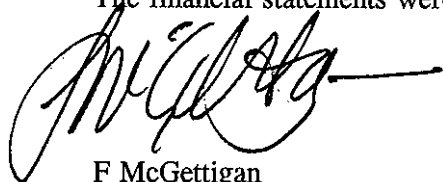
The notes on pages 7 to 12 form part of these financial statements

# NFTS EALING STUDIOS LIMITED

Balance sheet at 31 March 1996

	Note	£	£
<b>Fixed assets</b>			
Tangible assets	7		22,202
<b>Current assets</b>			
Debtors	8	97,186	
Cash at bank and in hand		165,862	
		<u>263,048</u>	
<b>Creditors: amounts falling due within one year</b>	9	281,172	
		<u></u>	
<b>Net current assets/liabilities</b>			(18,124)
<b>Total assets</b>			<u>4,078</u>
<b>Capital and reserves</b>			
Called up share capital	10		2
Profit and loss account			4,076
			<u>4,078</u>

The financial statements were approved by the Board on



F McGettigan  
Director

25/9/96

The notes on pages 7 to 12 form part of these financial statements

# **NFTS EALING STUDIOS LIMITED**

## **Cash flow statement for the period ended 31 March 1996**

	<b>Note</b>	<b>£</b>	<b>£</b>
<b>Net cash inflow from operating activities</b>	12		189,823
<b>Returns on investments and servicing of finance</b>			
Interest received			1,552
<b>Taxation</b>			
UK corporation tax			-
<b>Investing activities</b>			
Purchase of tangible fixed assets			(25,515)
<b>Increase in cash and cash equivalents</b>	13		165,862

The notes on pages 7 to 12 form part of these financial statements



# NFTS EALING STUDIOS LIMITED

Notes forming part of the financial statements for the period ended 31 March 1996

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## 1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

### *Turnover*

Turnover represents sales to outside customers at invoiced amounts less value added tax.

### *Depreciation*

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets, except freehold land, over their expected useful lives. It is calculated at the following rates:

Fixtures and fittings	- 16½ % per annum
Plant and machinery	- 10% - 20% per annum

### *Stocks*

Stocks are valued at the lower of cost and net realisable value. Cost is calculated as follows:

Raw materials	- cost of purchase on first in, first out basis.
Work in progress and finished goods	- cost of raw materials and labour, together with attributable overheads based on the normal level of activity.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

### *Deferred taxation*

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes, except that no provision is made where it can be reasonably foreseen that such deferred taxation will not be payable in the future.

### *Foreign currencies*

Assets and liabilities in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

# NFTS EALING STUDIOS LIMITED

Notes forming part of the financial statements for the period ended 31 March 1996 (*Continued*)

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## 1 Accounting policies (*Continued*)

### *Leased assets*

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are split between capital and interest using the actuarial method. The interest is charged to the profit and loss account. The capital part reduces the amounts payable to the lessor.

All other leases are treated as 'operating leases'. Their annual rentals are charged to the profit and loss account on a straight-line basis over the lease term.

## 2 Turnover and profits

Turnover and profits arose from the company's principal activity which is carried out in the United Kingdom.

## 3 Employees

£

Staff costs consist of:

Wages and salaries	208,506
Social security costs	19,869
Other pension costs	2,000
	<hr/>
	230,375
	<hr/>

The average weekly number of employees during the period was as follows:

	Number
Part time	6
Full time	10
	<hr/>
	16
	<hr/>

# NFTS EALING STUDIOS LIMITED

Notes forming part of the financial statements for the period ended 31 March 1996 (*Continued*)

<b>4 Profit on ordinary activities before taxation</b>				£
This is arrived at after charging:				
Depreciation				3,313
Auditors' remuneration				5,000
				<u>          </u>
<b>5 Directors' emoluments</b>				
No directors received any emoluments during the year.				
<b>6 Taxation on profits from ordinary activities</b>				£
UK corporation tax at 25% based on profit for the period				5,918
				<u>          </u>
<b>7 Tangible assets</b>				
	<b>Plant &amp; machinery</b>	<b>Fixtures &amp; fittings</b>		<b>Total</b>
	£	£		£
<i>Cost</i>				
Additions and at end of period	13,199	12,316		25,515
	<u>          </u>	<u>          </u>		<u>          </u>
<i>Depreciation</i>				
Provided for the period and at end of period	1,916	1,397		3,313
	<u>          </u>	<u>          </u>		<u>          </u>
<i>Net book value</i>				
At 31 March 1996	11,283	10,919		22,202
	<u>          </u>	<u>          </u>		<u>          </u>
<b>8 Debtors</b>				£
Trade debtors				86,201
Other debtors				818
Prepayments and accrued income				10,167
				<u>          </u>
				97,186
				<u>          </u>

All amounts shown under debtors fall due for payment within one year.

# NFTS EALING STUDIOS LIMITED

Notes forming part of the financial statements for the period ended 31 March 1996 (Continued)

9 Creditors: amounts falling due within one year	£
Trade creditors	37,425
Accruals and deferred income	101,817
Amounts due to parent company	136,012
Corporation tax	5,918
	<hr/>
	281,172
	<hr/>

The amount due to the parent company represents amounts due in respect of the lease of premises from the parent company. This amount was paid in full by the company after the year end.

10 Share capital	Authorised £	Allotted, called up and fully paid £
100 ordinary shares of £1 each	100	2
	<hr/>	<hr/>

## 11 Commitments under operating leases

As at 31 March 1996, the company had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings £
Operating leases which expire:	
In two to five years	200,000
	<hr/>

## 12 Reconciliation of operating profit to net cash outflow from operating activities

	£
Operating profit	8,442
Depreciation	3,313
Increase in debtors	(97,186)
Increase in creditors	275,254
	<hr/>
Net cash inflow from operating activities	189,823
	<hr/>

## NFTS EALING STUDIOS LIMITED

Notes forming part of the financial statements for the period ended 31 March 1996 (*Continued*)

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### 13 Analysis of changes in cash equivalents during the period

	Cash at bank £
Net cash inflow	165,862

### 14 Parent company

The company's ultimate parent company is The National Film and Television School, a company limited by guarantee and registered in England.

# NFTS EALING STUDIOS LIMITED

## Report of the auditors

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### To the shareholders of NFTS Ealing Studios Limited

We have audited the financial statements on pages 3 to 11 which have been prepared under the accounting policies set out on page 7 and 8.

#### *Respective responsibilities of directors and auditors*

As described on page 2 the company's directors are responsible for the preparation of the 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 an 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 as at 31 March 1996 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

**BDO Stoy Hayward**  
*Chartered Accountants*  
*and Registered Auditors*  
London

Date: 25 September 1996