

Co. No 3204556

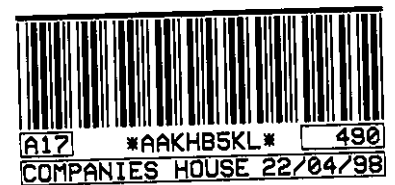
TMA STUDIO LIMITED

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1997 REPORT AND ACCOUNTS

BEAVIS WALKER

Chartered Accountants



TMA STUDIO LIMITED

DIRECTORS J. McAslan - Chairman and Managing
N. Eldridge
P. Smerin
J. Troughton

SECRETARY R. Smart

REGISTERED OFFICE Audrey House,
16/20 Ely Place,
London, EC1N 6SN.

REGISTERED NUMBER 3204556

1997 REPORT AND ACCOUNTS

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TMA STUDIO LIMITED

DIRECTORS' REPORT

The Directors present their Report and the Accounts for the period from 29th May, 1996 to 31st October, 1997.

PRINCIPAL ACTIVITY

The principal activity of the Company was the provision of services as architects and surveyors on overseas assignments.

INCORPORATION

The Company was incorporated on 29th May, 1996.

BUSINESS REVIEW

The Company commenced trading on 4th July, 1996. A summary of the period's trading results is given on page 4 of the Accounts.

DIVIDENDS

A dividend of £830 per share was paid to the immediate parent company on 31st October, 1997. The retained profit of £704 has been credited to reserves.

DIRECTORS

The Directors during the period and their beneficial interests in the issued ordinary share capital of the Company were:

	<u>31st October, 1997</u>	<u>At Incorporation</u>
	<u>£1 Ordinary shares</u>	<u>£1 Ordinary shares</u>
J. Troughton (appointed 29th May, 1996)	-	-
J. McAslan (appointed 29th May, 1996)	-	-
N. Eldridge (appointed 29th May, 1996)	-	-
P. Smerin (appointed 1st November, 1996)	-	-

The Directors' beneficial interests in the issued ordinary share capital of the Ultimate Parent Company, Troughton McAslan Limited, were as follows:

	<u>31st October, 1997</u>	<u>On incorporation</u>
	<u>£1 Ordinary shares</u>	
J. Troughton	-	5,000
J. McAslan	5,000	5,000

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE PREPARATION OF ACCOUNTS

Company law requires the Directors to prepare accounts for each financial year or period which give a true and fair view of the state of affairs of the Company at the end of the accounting period and of the profit or loss of the Company for the period. In preparing those accounts 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 accounts;
- * prepare the accounts on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are also 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 accounts 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.

TMA STUDIO LIMITED

DIRECTORS' REPORT (Continued)

AUDITORS

The Company has taken advantage of the dispensation under S386 of the Companies Act 1985, not to reappoint auditors, and therefore Beavis Walker will continue to act as Auditors.

BY ORDER OF THE BOARD



Secretary

AUDITORS' REPORT TO THE MEMBERS OF

TMA STUDIO LIMITED

We have audited the accounts on pages 4 to 7 which have been prepared on the historical cost basis and in accordance with the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 1, the Company's Directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the Company's affairs at 31st October, 1997 and of the profit of the Company for the period from 29th May, 1996 to 31st October, 1997 and have been properly prepared in accordance with the Companies Act 1985.

Beavis Walker

BEAVIS WALKER

Chartered Accountants,
Registered Auditor

Audrey House,
16/20 Ely Place,
London, EC1N 6SN.

10th March, 1998

TMA STUDIO LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD FROM 29TH MAY, 1996 TO 31ST OCTOBER, 1997

	<u>Notes</u>	£
TURNOVER on continuing activities	2	261,568
Cost of sales		151,264
GROSS PROFIT		<u>110,304</u>
Administrative expenses	3	500
PROFIT on ordinary activities before tax - on continuing operations		<u>109,804</u>
TAX	4	26,100
PROFIT on ordinary activities after tax		<u>83,704</u>
Dividends	5	83,000
RETAINED PROFIT for the period and at 31st October, 1997		<u><u>£704</u></u>


STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

The profit on ordinary activities after tax, as stated above, recognises all gains and losses for the period as defined by Financial Reporting Standard No. 3.

TMA STUDIO LIMITED

BALANCE SHEET AT 31ST OCTOBER, 1997

	<u>Notes</u>	<u>£</u>
CURRENT ASSETS		
Debtors	6	92,829
CREDITORS due within one year	7	92,025
NET CURRENT ASSETS		<u>£804</u>
 CAPITAL AND RESERVES		
Called up share capital	8	100
Profit and loss account		704
SHAREHOLDERS' FUNDS		<u>—</u>
- Equity interests		£804
		<u>—</u>

..........Director

Approved by the Board on 19 February 1998

TMA STUDIO LIMITED

NOTES ON THE ACCOUNTS

1. ACCOUNTING POLICIES

(a) Basis of accounting

The accounts have been prepared on the historical cost basis and in accordance with all applicable accounting standards.

(b) Cash flow statement

The Company is defined as a small company under Section 246 and 247 of the Companies Act 1985. The Directors have therefore not prepared a cash flow statement as permitted by Financial Reporting Standard No. 1.

(c) Turnover

Turnover and profit on long term contracts are recognised in proportion to work performed during the period. Invoices in advance are included as payments on account in creditors due within one year.

2. TURNOVER

Turnover is attributable to the Company's sole activity and was derived from sales to Italy.

3. OPERATING PROFIT

Stated after accounting for:

Auditors' remuneration	£500
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4. TAX

Corporation tax at 31%/33% on the adjusted result for the period	£26,100
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5. DIVIDENDS

Paid dividend of £830 per share	£83,000
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6. DEBTORS

Due from Parent Company	37,829
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Accrued income	55,000
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£92,829

7. CREDITORS DUE WITHIN ONE YEAR

Trade creditors	34,248
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Corporation tax	26,100
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Accruals	14,250
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Deferred income	17,427
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£92,025

The bank has a fixed and floating charge over the assets of the Company. At the balance sheet date the Company's indebtedness to the bank was £Nil.

TMA STUDIO LIMITED

NOTES ON THE ACCOUNTS

8.	CALLED UP SHARE CAPITAL	
	Authorised:	
	100,000 Ordinary shares of £1 each	£100,000
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	Allotted, issued and fully paid	
	100 Ordinary shares of £1 each	£100
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During the period the Company issued 100 Ordinary shares of £1 each at par to provide working capital.

9.	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	£
	Profit for the financial period	83,704
	Shares issued in period (note 8)	100
	Dividends paid in period (note 5)	(83,000)
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	Shareholders' funds at 31st October, 1997	£804
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10. PARENT COMPANIES

The Company's parent company is John McAslan & Partners Limited, a 100% subsidiary of the ultimate parent company Troughton McAslan Limited. Both companies are registered in England and Wales.