

TMA STUDIO LIMITED

1998 REPORT AND ACCOUNTS



TMA STUDIO LIMITED

DIRECTORS J. McAslan - Chairman and managing
J. Troughton - non executive

SECRETARY R. Smart

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

REGISTERED NUMBER 3204556

1998 REPORT AND ACCOUNTS

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TMA STUDIO LIMITED

DIRECTORS' REPORT

The Directors present their Report and the Accounts for the year ended 31st October, 1998.

PRINCIPAL ACTIVITY

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

RESULTS AND DIVIDEND

A summary of the year's trading results is given on page 4 of the accounts. A dividend of £124,000 has been paid to the parent company during the year.

DIRECTORS

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

| | <u>1st November, 1997 and</u> <u>31st October, 1998</u> <u>£1 Ordinary shares</u> |
|---|---|
| J. McAslan | - |
| J. Troughton | - |
| N. Eldridge (resigned 5th August, 1998) | - |
| P. Smerin (resigned 5th August, 1998) | - |

The Directors' beneficial interests in the issued ordinary share capital of the parent company, John McAslan & Partners Limited (formerly Troughton McAslan Limited), were as follows:

| | <u>As at 1st November, 1997 and</u> <u>31st October, 1998</u> <u>£1 Ordinary shares</u> |
|--------------|---|
| J. McAslan | 5,000 |
| J. Troughton | - |

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE PREPARATION OF ACCOUNTS

Company law requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of the Company's affairs at the end of the accounting year and of its profit or loss for the year. 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.

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.

TMA STUDIO LIMITED

DIRECTORS' REPORT (Continued)

SMALL COMPANY PROVISIONS

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

BY ORDER OF THE BOARD

Handwritten signature of Rachel Smart in black ink.

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 Financial Reporting Standard for Smaller Entities and 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 the 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, 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



BEAVIS WALKER

Chartered Accountants,
Registered Auditor

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

8/3/99

TMA STUDIO LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST OCTOBER, 1998

| | | Year ended 31st October, 1998 | 17 months ended 31st October, 1997 |
|--|--------------|-------------------------------------|--|
| | <u>Notes</u> | £ | £ |
| TURNOVER | 2 | 250,205 | 261,568 |
| Cost of sales | | 92,159 | 151,264 |
| GROSS PROFIT | | 158,046 | 110,304 |
| Administrative expenses | | 587 | 500 |
| PROFIT on ordinary activities before tax | 3 | 157,459 | 109,804 |
| Tax | 4 | 32,800 | 26,100 |
| PROFIT on ordinary activities after tax | | 124,659 | 83,704 |
| Dividends | 5 | 124,000 | 83,000 |
| PROFIT on ordinary activities after tax and extraordinary items | | 659 | 704 |
| RETAINED PROFIT at 1st November, 1997 | | 704 | - |
| RETAINED PROFIT at 31st October, 1998 | | £1,363 | £704 |

TMA STUDIO LIMITED

BALANCE SHEET AT 31ST OCTOBER, 1998

| | <u>Notes</u> | <u>1998</u> £ | <u>1997</u> £ |
|-------------------------------|--------------|-------------------|-------------------|
| CURRENT ASSETS | | | |
| Debtors | 6 | 211,744 | 92,829 |
| CREDITORS due within one year | 7 | 210,281 | 92,025 |
| NET CURRENT ASSETS | | <u>£1,463</u> | <u>£804</u> |
| | | | |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 8 | 100 | 100 |
| Profit and loss account | | 1,363 | 704 |
| SHAREHOLDERS' FUNDS | | <u> </u> | <u> </u> |
| - Equity interests | 9 | <u>£1,463</u> | <u>£804</u> |

These accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities.

..........Director

Approved by the Board on25/2/99.....

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 applicable accounting standards.

(b) Turnover

Turnover and profit on long term contracts are recognised in proportion to work performed during the year. Any uninviced work at the year end is included in debtors under accrued income.

(c) Foreign currency

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

2. TURNOVER

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

| | Year ended 31st October, 1998 | 17 months ended 31st October, 1997 |
|--|-------------------------------------|---|
| 3. PROFIT ON ORDINARY ACTIVITIES | | |
| Stated after charging: | | |
| Auditors' remuneration | £500 | £500 |
| | ===== | ===== |
| 4. TAX | | |
| Corporation tax at 31% (1997 - 31%/33%) less tapering relief on the adjusted result for the year/period | £32,800 | £26,100 |
| | ===== | ===== |
| 5. DIVIDENDS | | |
| Dividend paid | £124,000 | £83,000 |
| | ===== | ===== |
| 6. DEBTORS | | |
| Trade debtors | 158,234 | - |
| Due from parent undertaking | - | 37,829 |
| Accrued income | 53,510 | 55,000 |
| | ===== | ===== |
| | £211,744 | £92,829 |
| | ===== | ===== |
| 7. CREDITORS DUE WITHIN ONE YEAR | | |
| Trade creditors | 48,479 | 34,248 |
| Corporation tax | 34,000 | 26,100 |
| Accruals | 16,514 | 14,250 |
| Deferred income | - | 17,427 |
| Due to parent undertaking | 111,288 | - |
| | ===== | ===== |
| | £210,281 | £92,025 |
| | ===== | ===== |

The Company's banker 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 | <u>1998</u> | <u>1997</u> |
| | Authorised: | | |
| | 100,000 Ordinary shares of £1 each | £100,000 | £100,000 |
| | | <hr/> | <hr/> |
| | Allotted, issued and fully paid | | |
| | 100 Ordinary shares of £1 each | £100 | £100 |
| | | <hr/> | <hr/> |
| 9. | RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS | £ | £ |
| | Shareholders funds at 1st November, 1997 | 804 | - |
| | Profit for the financial period | 124,659 | 83,704 |
| | Shares issued in year/period | - | 100 |
| | Dividends paid in year/period (note 5) | (124,000) | (83,000) |
| | | <hr/> | <hr/> |
| | Shareholders' funds at 31st October, 1998 | £1,463 | £804 |
| | | <hr/> | <hr/> |

10. PARENT COMPANIES

The Company's parent company at 31st October 1998 is Troughton McAslan Limited (formerly John McAslan & Partners Limited), a 100% subsidiary of the ultimate parent company John McAslan & Partners Limited (formerly Troughton McAslan Limited). Both companies are registered in England and Wales. On the 1st November 1998 the entire share capital of the company was transferred to John McAslan and Partners Limited.

11. RELATED PARTY TRANSACTIONS

The parent company, Troughton McAslan Limited, recharges the Company for expenses incurred on its behalf. The total movements in the year were £149,117. The total owing to Troughton McAslan Limited at the year end was £111,288