

GLOBALSCREEN LIMITED

**REPORT AND FINANCIAL STATEMENTS
FOR THE 10 MONTHS ENDED 31 JULY 1997
REGISTERED NUMBER 3221469**



***REPORT AND FINANCIAL STATEMENTS FOR THE 10 MONTHS ENDED
31 JULY 1997***

CONTENTS

	<u><i>Page</i></u>
Report of the Directors	1
Directors' Statement of Responsibilities	2
Report of the Auditors	3
Profit and Loss Account	4
Statement of Total Recognised Gains and Losses	4
Balance Sheet	5
Notes to the Financial Statements	6 - 7

GLOBALSCREEN LIMITED

Report of the Directors for the 10 months ended 31 July 1997

The directors present herewith their report and the audited financial statements of Globalscreen Limited for the 10 months ended 31 July 1997.

Principal activities

The company's principal activities are the provision of educational facilities to the Higher Education sector.

Review of the Business

The company commenced trading on 1 September 1996. Results for the first 10 months trading show a turnover of £208,295 leading to an operating profit of £10,407. The directors do not recommend the payment of a dividend.

Directors

The directors of the company during the period were:-

Professor Jeffrey Richard Brown
Mr. Ian Maurice Burns

Directors' interests in shares

No director had any disclosable interest in the shares of the company during the period.

Auditors

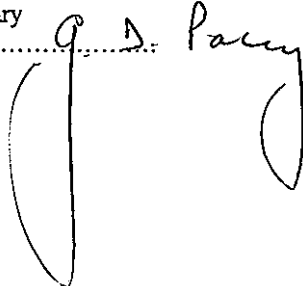
During the year KPMG were appointed as auditors of the company.

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company will be proposed at the forthcoming Annual General Meeting.

BY ORDER OF THE BOARD

John D Pacey
Company Secretary

..... J. D. Pacey



Langham Tower
Ryhope Road
SUNDERLAND

GLOBALSCREEN LIMITED

Directors' statement of responsibilities

Company Law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that year. 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;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on a 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

GLOBALSCREEN LIMITED

Report of the Auditors

We have audited the financial statements on pages 4 to 7.

Respective Responsibilities of Directors and Auditors

As described on page 2, the company's directors are responsible for the preparation of 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 our Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amount 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 mis-statement, 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 at 31 July 1997 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Quayside House
110 The Quayside
Newcastle-Upon-Tyne

KPMG/

KPMG
Chartered Accountants
Registered Auditors

7 November 1997

GLOBALSCREEN LIMITED

PROFIT AND LOSS ACCOUNT
For the 10 months ended 31 July 1997

	Note	1997 £
TURNOVER from continuing Operations	1	208,295
Operating costs		(197,888)
		<hr/>
OPERATING PROFIT		10,407
Other charges – covenanted Payment		(10,500)
		<hr/>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	2	(93)
Tax on profit/(loss) on ordinary Activities		-
		<hr/>
LOSS FOR THE PERIOD		(93)
		<hr/> <hr/>

A statement of movements on the profit and loss account is given in note 7.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
For the period ended 31 July 1997

All recognised gains and losses are included in the profit and loss account for the period ended 31 July 1997.

GLOBALSCREEN LIMITED

BALANCE SHEET
at 31 July 1997

	Note	1997 £
CURRENT ASSETS		
Debtors	4	38,082
Cash at bank and in hand		2,422
		<u>40,504</u>
CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR	5	40,497
		<u>7</u>
NET CURRENT ASSETS		
NET ASSETS		<u>7</u>
CAPITAL AND RESERVES		<u><u>7</u></u>
CALLED UP SHARE CAPITAL	6	100
PROFIT AND LOSS ACCOUNT	7	(93)
SHAREHOLDERS' FUNDS	8	<u>7</u>
		<u><u>7</u></u>

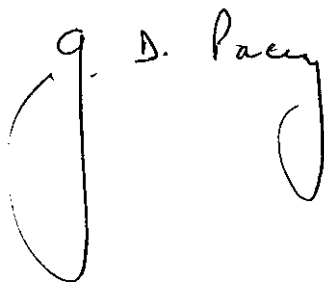
These financial statements were approved by the

Board of Directors on 7 November 1997

and were signed on its behalf by:



Director



GLOBALSCREEN LIMITED

Notes to the Financial Statements

1. ACCOUNTING POLICIES

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

(a) Basis of preparation

The financial statements have been prepared under the historical cost accounting rules and in accordance with applicable accounting standards.

(b) Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers during the period

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit on ordinary activities before taxation is stated after charging:

	1997 £
Auditors' remuneration	500
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3. DIRECTORS' EMOLUMENTS

The directors received no emoluments during the period.

4. DEBTORS

	1997 £
Trade debtors	1,753
Amount owed by parent undertaking	36,329
	<hr/>
	38,082
	<hr/>

GLOBALSCREEN LIMITED

Notes to the Financial Statements (Continued)

**5. CREDITORS : AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	1997 £
Trade creditors	2,915
Amount owed to parent undertaking	37,582
	<u>40,497</u>

6. CALLED UP SHARE CAPITAL

	1997 £
Authorised: 100 shares of £1 each	100
Allotted, called up and fully paid: 100 shares of £1 each	<u>100</u>

7. PROFIT AND LOSS ACCOUNT

	1997 £
Loss for the period	<u>(93)</u>

8. SHAREHOLDERS' FUNDS

The movement on shareholders' funds is represented by the loss for the period.

9. PARENT UNDERTAKING

The whole of the company's share capital is owned by the University of Sunderland, incorporated in England as an independent Higher Education Corporation under the provisions of the Education Reform Act, 1988.