

**EDINBURGH INTERNATIONAL
FESTIVAL LIMITED**

Registered Number 138633

Directors' Report and Accounts

For the year ended 30 November 1996

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EDINBURGH INTERNATIONAL FESTIVAL LIMITED

Directors' Report and Accounts

For the year ended 30 November 1996

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Directors

Brian J McMaster
Nicholas J Dodds

Secretary

Nicholas J Dodds

Auditors

Coopers & Lybrand, Chartered Accountants

Bankers

Royal Bank of Scotland plc

Solicitors

Maclay, Murray & Spens

Registered office

21 Market Street, Edinburgh, EH1 1BW

EDINBURGH INTERNATIONAL FESTIVAL LIMITED

Directors' Report

For the year ended 30 November 1996

The directors submit their annual report and the audited accounts for the year ended 30 November 1996.

Results and dividends

The profit for the year was paid over as a charitable donation to the Edinburgh Festival Society on 29 November 1996.

Principal activities and review of the business

The company was incorporated on 2 June 1992 and commenced trading on 1 April 1996.

The company operated retail outlets and undertook wholesale activities in connection with goods related to the Edinburgh Festival. Turnover for the year was satisfactory for the first trading period at £107,633 and a charitable donation of £10,651 was made.

Directors

The directors throughout the year were:

Brian J McMaster
Nicholas J Dodds

No director had an interest in the company's share capital at the year end.

All the directors retire by rotation and, being eligible, offer themselves for re-election.

No director had any interest in any contract of significance in relation to the company's business during or at the end of the period.

EDINBURGH INTERNATIONAL FESTIVAL LIMITED

Directors' Report - continued

For the year ended 30 November 1996

Directors' responsibilities

Company law requires the directors to prepare accounts 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 of the company for that 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 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 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

A resolution to re-appoint Coopers & Lybrand, Chartered Accountants as auditors will be put to the members at the annual general meeting.

By order of the board



Nicholas J Dodds
Secretary

^{15:}
17 February 1997

EDINBURGH INTERNATIONAL FESTIVAL LIMITED

Auditors' Report to the Members

For the year ended 30 November 1996

We have audited the accounts on pages 4 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 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.

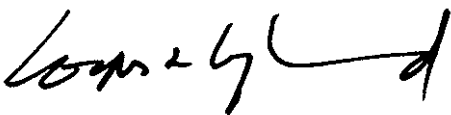
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes 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 accounts.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 November 1996 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



COOPERS & LYBRAND
Chartered Accountants and Registered Auditor
Erskine House
68-73 Queen Street
Edinburgh
EH2 4NH

17/2 1997

EDINBURGH INTERNATIONAL FESTIVAL LIMITED

Profit and Loss Account

For the year ended 30 November 1996

	Notes	1996 £
Income		
Sales	2	107,663
Concessions		2,619
		<hr/>
		110,282
Less: Cost of sales		(74,018)
		<hr/>
Gross profit		36,264
 Other expenditure		
Administration expenses	3	(26,995)
		<hr/>
Operating profit		9,269
Royalties receivable		1,382
		<hr/>
Profit from ordinary activities		10,651
Charitable donation to Edinburgh Festival Society		(10,651)
		<hr/>
Profit for the year		-
		<hr/>

All the results of the company relate to continuing operations. The company did not trade prior to 1 April 1996.

The company has no recognised gains and losses other than those included in the profit above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities for the period stated above and its historical cost equivalent.

The notes on pages 6 and 7 form part of these accounts

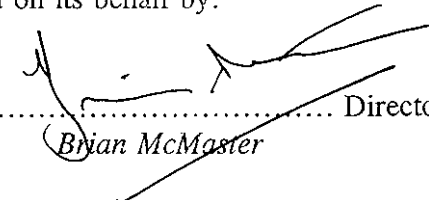
EDINBURGH INTERNATIONAL FESTIVAL LIMITED

Balance Sheet

As at 30 November 1996

	Notes	1996 £	1995 £
Current assets			
Debtors		256	2
Stock	5	7,510	-
Bank and cash in hand		2,162	-
		<hr/>	<hr/>
		9,928	2
Creditors: Amounts falling due within one year	6	(9,926)	-
		<hr/>	<hr/>
Net assets		2	2
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	7	2	2
		<hr/>	<hr/>
		2	2
		<hr/>	<hr/>

Approved by the Board of Directors on 17 February 1997 and signed on its behalf by:


 Director
 Brian McMaster

The notes on pages 6 and 7 form part these accounts

EDINBURGH INTERNATIONAL FESTIVAL LIMITED

Notes to the Accounts

For the year ended 30 November 1996

1. Accounting policies

Basis of accounting

The accounts have been prepared on an historical cost basis in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies is set out below.

The accounts are prepared on an accruals basis.

Cash Flow statement

The company is exempt from preparing a cash flow statement in compliance with the Financial Reporting Standard No1.

Stock

Stock is stated at the lower of cost and net realisable value.

2. Sales

Sales represents the amount of goods sold during the year and are stated net of value added tax.

3. Administration expenses

Administration expenses include audit fees of £800 excluding VAT.

EDINBURGH INTERNATIONAL FESTIVAL LIMITED

Notes to the Accounts - continued

For the year ended 30 November 1996

4. Staff numbers and costs	1996	1995
	Number	Number
The average weekly number of full-time equivalent employees during the period was:		
Selling	2	-
The aggregate remuneration and associated costs of the employees were:	1996	1995
	£	£
Wages and salaries	20,267	-
Social security costs	1,687	-
	21,954	-
No remuneration was paid to any Director.		
5. Stock	1996	1995
	£	£
Goods for retail sale	7,510	-
6. Creditors	1996	1995
	£	£
Income tax	2,556	-
Amounts owed to parent company	1,561	-
Accruals and deferred income	5,809	-
	9,926	-
7. Share capital	1996	1995
	£	£
Authorised 100 ordinary shares at £1 each	100	100
Issued and called up (Nil paid) 2 ordinary shares at £1 each	2	2
8. Holding company		

The company is a wholly owned subsidiary of the Edinburgh Festival Society Limited, a company limited by guarantee.