

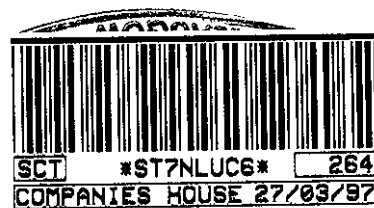
Abbreviated Financial Statements

For The Period 2 February 1995 to 29 February 1996

for

Glasgow Film and Video Workshop Ltd

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For The Period 2 February 1995 to 29 February 1996

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Glasgow Film and Video Workshop Ltd

Company Information

For The Period 2 February 1995 to 29 February 1996

DIRECTORS:

P Law
S McDaid
A MacKinnon
S Hurrel
L Broadbent

SECRETARY:

Iain Reid

REGISTERED OFFICE:

3rd floor
34 Albion street
Glasgow
Strathclyde
G1 1LH

REGISTERED NUMBER:

155843 (Scotland)

AUDITORS:

ROBB FERGUSON
Chartered Accountants
Registered Auditors
5 Oswald Street
Glasgow
G1 4QR

Report of the Auditors to
Glasgow Film and Video Workshop Ltd
Pursuant to Paragraph 24 of Schedule 8 to the Companies Act 1985

We have examined the abbreviated financial statements on pages four to six together with the full financial statements of Glasgow Film and Video Workshop Ltd prepared under Section 226 of the Companies Act 1985 for the period ended 29 February 1996.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page four and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the period ended 29 February 1996, and the abbreviated financial statements on pages four to six have been properly prepared in accordance with that Schedule.

Other information

On 26 March 1997 we reported, as auditors of Glasgow Film and Video Workshop Ltd, to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the period ended 29 February 1996, and our audit report was as follows:

"We have audited the financial statements on pages four to ten which have been prepared under the historical cost convention and the accounting policies set out on pages six and seven.

Respective responsibilities of directors and auditors

As described on page two 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 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 judgments 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.

Going concern

In forming our opinion, we have considered the adequacy of the disclosures made in note 1 of the financial statements concerning the company's present financial position and the uncertainty of its future trading prospects. In view of the significance of this uncertainty we consider that it should be drawn to your attention, but our opinion is not qualified in this respect.

Glasgow Film and Video Workshop Ltd

Report of the Auditors to

Glasgow Film and Video Workshop Ltd

Pursuant to Paragraph 24 of Schedule 8 to the Companies Act 1985

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 29 February 1996 and of its loss for the period then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies."



ROBB FERGUSON
Chartered Accountants
Registered Auditors
5 Oswald Street
Glasgow
G1 4QR

Dated: 26 March 1997

Abbreviated Balance Sheet
29 February 1996

	Notes	£	£
FIXED ASSETS:			
Tangible assets	2		88,197
CURRENT ASSETS:			
Stocks		1,074	
Debtors		11,386	
Cash at bank and in hand		10,882	
		<hr/>	
		23,342	
CREDITORS: Amounts falling due within one year		<hr/> 49,398	
NET CURRENT LIABILITIES:			(26,056)
TOTAL ASSETS LESS CURRENT LIABILITIES:			<hr/> 62,141
CREDITORS: Amounts falling due after more than one year			65,123
			<hr/>
			£(2,982)
			<hr/>
RESERVES:			
Profit and loss account			(2,982)
			<hr/>
			£(2,982)
			<hr/>

Advantage has been taken of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the grounds that, in the opinion of the directors, the company is entitled to the benefit of those exemptions as a small company.

In preparing the full financial statements, the directors have taken advantage of special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985. The directors have done so on the grounds that, in their opinion, the company is entitled to the benefit of those exemptions because it meets the qualifying conditions for small companies as stated in Section 247 of the Companies Act 1985.

ON BEHALF OF THE BOARD:



A MacKinnon - DIRECTOR

Approved by the Board on 26 March 1997

The notes form part of these financial statements

Notes to the Abbreviated Financial Statements
For The Period 2 February 1995 to 29 February 1996

1. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

The company's balance sheet at 29 February 1996 is showing a deficit and the company has continued to make losses to date.

The directors have taken steps to address the situation and have prepared 3 years financial projections demonstrating the company's return to profitability. The directors have authorised the purchase of equipment at a total cost of £178,970 for which 60% financing has been obtained. The remaining 40% is due to be received from the European Regional Development fund. The validity of the projections depend on obtaining this remaining finance and the rental income generated by the capital investment. The directors consider that the company will achieve the expected income and obtain the European Regional Development Fund monies.

On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

Accounting convention

The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net income generated, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Alterations to property	- over the period of lease
Equipment	- 25% on reducing balance

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Notes to the Abbreviated Financial Statements
For The Period 2 February 1995 to 29 February 1996

Government grants

Grants relating to expenditure on tangible fixed assets are credited to the profit and loss account at the same rate as depreciation on the assets to which the grant relates. The deferred element of the grant is included in creditors as deferred income. Grants of a revenue nature are credited to the profit and loss account in the period to which they relate.

2. **TANGIBLE FIXED ASSETS**

	Total
	<hr/> £
COST:	
Additions	111,970
	<hr/>
At 29 February 1996	111,970
	<hr/>
DEPRECIATION:	
Charge for period	23,773
	<hr/>
At 29 February 1996	23,773
	<hr/>
NET BOOK VALUE:	
At 29 February 1996	88,197
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