

**Richard Attenborough Productions
Limited**

FINANCIAL STATEMENTS

for the year ended

30 April 2001



Richard Attenborough Productions Limited

DIRECTORS AND OFFICERS

DIRECTORS

Lord Attenborough
Lady Attenborough
CE Fielding
RJB Blake

SECRETARY

RJB Blake

COMPANY NUMBER

00489773 (England and Wales)

REGISTERED OFFICE

Beaver Lodge
The Green
Richmond
Surrey TW9 1NQ

AUDITORS

Baker Tilly
Registered Auditor
Chartered Accountants
2 Bloomsbury Street
London WC1B 3ST

BANKERS

Barclays Bank plc
50 Pall Mall
London SW1Y 5AX

SOLICITORS

Theodore Goddard
150 Aldersgate
London EC1A 4EJ

Richard Attenborough Productions Limited

DIRECTORS' REPORT

The directors submit their report and the financial statements of Richard Attenborough Productions Limited for the year ended 30 April 2001.

PRINCIPAL ACTIVITIES

The company continues to carry on the business of film producing and directing. The company also provides the services of Lord Attenborough in the United Kingdom to other organisations in return for consultancy fees.

REVIEW OF THE BUSINESS

The results for the year are disappointing. The directors are seeking appropriate opportunities for the future.

RESULTS AND DIVIDENDS

The results for the year are set out in the profit and loss account on page 5. The position at the end of the year is shown in the balance sheet on page 6. The directors do not recommend the payment of any dividend.

DIRECTORS

The following directors have held office since 1 May 2000:

Lord Attenborough
Lady Attenborough
CE Fielding
RJB Blake

DIRECTORS' INTERESTS IN SHARES

Lady Attenborough holds 50 deferred shares of 5p each jointly with the parent undertaking. Lord and Lady Attenborough have an interest in the shares of the parent undertaking, which is disclosed in the parent undertaking's financial statements.

AUDITORS

A resolution to reappoint Baker Tilly, Chartered Accountants, as auditors will be put to the members at the annual general meeting.

By order of the board



Director

13-2-2002

Richard Attenborough Productions Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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 of the company for that period. In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. prepare the financial statements 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 financial statements comply with the requirements of 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' REPORT TO THE MEMBERS OF RICHARD ATTENBOROUGH PRODUCTIONS LIMITED

We have audited the financial statements on pages 5 to 17.

Respective responsibilities of directors and auditors

As described on page 3 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 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 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 April 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Baker Tilly
BAKER TILLY

Registered Auditor
Chartered Accountants
2 Bloomsbury Street
London WC1B 3ST

21 February 2002

Richard Attenborough Productions Limited

PROFIT AND LOSS ACCOUNT

for the year ended 30 April 2001

	<i>Notes</i>	2001 £	2000 £
TURNOVER	1	278,583	377,203
Other operating expenses (net)	2	(577,711)	(745,343)
OPERATING LOSS		(299,128)	(368,140)
Income from fixed asset investments	3	10,140	8,949
Other interest receivable and similar income	3	1,624	15,219
		(287,364)	(343,972)
Interest payable and similar charges	4	(8,318)	(141)
Amounts written off investments in theatrical productions		337	(3,336)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	5	(295,345)	(347,449)
Taxation	7	317	(1)
RETAINED LOSS FOR THE YEAR	14	(295,662)	(347,448)

The operating loss for the year arises from the company's continuing operations.

Richard Attenborough Productions Limited
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 30 April 2001

	2001 £	2000 £
Loss for the financial year	(295,345)	(347,448)
Unrealised surplus on revaluation of properties	1,995	-
	<hr/>	<hr/>
Total recognised gains and losses relating to the year	<u>(293,350)</u>	<u>(347,448)</u>

Richard Attenborough Productions Limited

BALANCE SHEET

30 April 2001

	Notes	2001 £	2000 £
FIXED ASSETS			
Tangible assets	8	253,790	261,630
Investments	9	3,302,516	2,746,098
		<u>3,556,306</u>	<u>3,007,728</u>
CURRENT ASSETS			
Film production costs		75,096	72,596
Debtors	10	147,085	161,600
Cash at bank and in hand		31,164	322,833
		<u>253,345</u>	<u>557,029</u>
CREDITORS: Amounts falling due within one year	11	(989,140)	(350,924)
CURRENT (LIABILITIES)/ASSETS		<u>(735,795)</u>	<u>206,105</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,820,511	3,213,833
CREDITORS: Amounts falling due after more than one year		(3,776,532)	(3,876,187)
NET LIABILITIES		<u>(956,021)</u>	<u>(662,354)</u>
CAPITAL AND RESERVES			
Called up share capital	13	250	250
Revaluation reserve	14	1,995	-
Profit and loss account	14	(958,266)	(662,604)
SHAREHOLDERS' FUNDS (including non-equity interests)	15	<u>(956,021)</u>	<u>(662,354)</u>

Approved by the board on 13 - 2 - 2002



Director

Richard Attenborough Productions Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold properties in accordance with applicable accounting standards.

GOING CONCERN

The directors have prepared cashflow forecasts for the year ended 30 April 2002. On the basis of this information the directors consider that the company and its subsidiaries will continue to operate within their agreed banking facilities. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

INVESTMENT PROPERTIES

Investment properties are accounted for in accordance with SSAP 19, "Accounting for Investment Properties", which provides that these should not be subject to periodic depreciation charges (unless held on lease), but should be shown at open market value. This is contrary to the Companies Act 1985 which states that, subject to any provision for depreciation or diminution in value, fixed assets are normally to be stated at purchase price or production cost. Current cost accounting or the revaluation of specific assets to market value, as determined at the date of their last valuation, is also permitted.

The treatment of investment properties under the Companies Act does not give a true and fair view as these assets are not held for consumption in the business but as investments, the disposal of which would not materially affect any manufacturing or trading operations of the enterprise. In such a case it is the current value of these investments, and changes in that current value, which are of prime importance. Consequently, for the proper appreciation of the financial position, the accounting treatment required by SSAP 19 is considered appropriate for investment properties.

Details of the current value and historical cost information for investment properties are given in Note 9.

TANGIBLE FIXED ASSETS

Fixed assets include properties valued by the directors. Other fixed assets, other than investment properties, are stated at historical cost.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Land and buildings short-term leasehold	2% on building cost per annum
Freehold properties	2% on building cost per annum
Plant and machinery	10% on cost per annum
Fixtures, fittings and equipment	20% on cost per annum
Motor vehicles	20% on cost per annum

INVESTMENTS

Investments in fine arts and theatrical productions are stated at cost. Provision is made for any permanent diminution in the value of fixed asset investments.

DEFERRED TAXATION

Provision is made for taxation deferred or accelerated by the effect of timing differences, to the extent that it is probable that a liability will crystallise, at the rate expected to be ruling at that date.

PENSION CONTRIBUTIONS

The costs of providing pensions for employees are charged in the profit and loss account when incurred. Contributions are assessed on an annual basis and paid directly to an independently administered fund whose assets are held separately from those of the company.

Richard Attenborough Productions Limited

ACCOUNTING POLICIES

FOREIGN CURRENCY TRANSLATION

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the accounting date. Transactions in foreign currencies are recorded at the ruling rate at the date of the transaction. All differences arising are taken to the profit and loss account.

TURNOVER

Turnover represents amounts receivable for fee income, film receipts and royalties and is stated net of Value Added Tax.

FILM PRODUCTION COSTS

Costs of production are carried forward in the balance sheet until the film is released for commercial distribution. The costs will then be written off each year in a sum equal to the amount of revenue receivable in that year until such time as the film production cost has been fully written off. Any film production cost that is not likely to be recovered by film revenues is written off immediately.

FILM PRODUCTION ADVANCES

Film production advances are repayable from revenues arising from the eventual commercial distribution of the film. The balances are carried forward as a creditor until that time. If the film production is aborted, advances are either repaid or taken to the profit and loss account.

Richard Attenborough Productions Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2001

1 TURNOVER

The company's turnover and loss before taxation were all derived from its principal activity. Sales were made in the following geographical markets:

	2001 £	2000 £
United Kingdom	259,624	250,997
Rest of the World	18,959	126,206
	<u>278,583</u>	<u>377,203</u>

2 OTHER OPERATING EXPENSES (NET)

	2001 £	2000 £
Administration expenses	<u>577,711</u>	<u>745,343</u>

3 INCOME FROM FIXED ASSET INVESTMENTS

	2001 £	2000 £
a) Income from fixed asset investments	4,152	-
Profit on investment in productions	2,810	5,409
Profit on sale of fixed asset investments	-	3,540
Dividend receivable	3,178	-
	<u>10,140</u>	<u>8,949</u>

b) INTEREST RECEIVABLE

Bank interest	266	15,219
Other interest	1,358	-
	<u>1,624</u>	<u>15,219</u>

4 INTEREST PAYABLE

	2001 £	2000 £
On bank loans, overdrafts and other loans repayable within 5 years	8,318	51
Other interest	-	90
	<u>8,318</u>	<u>141</u>

Richard Attenborough Productions Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2001

5	LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	2001	2000
		£	£
	Loss on ordinary activities before taxation is stated after charging/(crediting):		
	Depreciation and amounts written off tangible fixed assets:		
	Charge for the year:		
	owned assets	7,840	7,937
	Net exchange (gains)/losses	(973)	665
	Auditors' remuneration (including expenses):		
	Audit services	5,000	5,000
	Other services	6,000	12,000
	Profit on disposal of fixed asset investment	-	3,540
	Amounts written (back to)/off fixed asset investments	(337)	3,336
		<hr/>	<hr/>
6	EMPLOYEES	2001	2000
		No	No
	The average weekly number of persons (including directors) employed by the company during the year was:		
	Office and administration	2	2
	Directors	4	4
	Publicity	1	1
		<hr/>	<hr/>
		7	7
		<hr/>	<hr/>
		2001	2000
		£	£
	Staff costs for the above persons:		
	Wages and salaries	108,063	144,700
	Social security costs	15,327	14,031
	Other pension costs	2,518	3,800
		<hr/>	<hr/>
		125,908	162,531
		<hr/>	<hr/>

Richard Attenborough Productions Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2001

6	EMPLOYEES (<i>continued</i>)	2001 £	2000 £
	DIRECTORS' REMUNERATION		
	Fees	20,000	20,000
	Other Emoluments	156,865	207,341
		<u>176,865</u>	<u>227,341</u>
	The Chairman	<u>101,088</u>	<u>139,380</u>
7	TAXATION	2001 £	2000 £
	Tax credit on dividend receivables	317	-
	Overprovided in previous years	-	(1)
		<u>317</u>	<u>(1)</u>

No provision has been made for corporation tax due to losses in the year.

8 TANGIBLE FIXED ASSETS

	<i>Land and buildings short-term leasehold</i> £	<i>Freehold properties</i> £	<i>Plant and machinery</i> £	<i>Fixtures, fittings and equipment</i> £	<i>Motor vehicles</i> £	<i>Total</i> £
Cost: 1 May 2000 and 30 April 2001	114,500	236,269	99,930	19,521	87,942	558,162
Depreciation 1 May 2000	28,870	61,919	99,930	17,871	87,942	296,532
Charged in the year	2,290	4,725	-	825	-	7,840
30 April 2001	<u>31,160</u>	<u>66,644</u>	<u>99,930</u>	<u>18,696</u>	<u>87,942</u>	<u>304,372</u>
Net book value 30 April 2001	<u>83,340</u>	<u>169,625</u>	<u>-</u>	<u>825</u>	<u>-</u>	<u>253,790</u>
30 April 2000	<u>85,630</u>	<u>174,350</u>	<u>-</u>	<u>1,650</u>	<u>-</u>	<u>261,630</u>

Richard Attenborough Productions Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2001

9 FIXED ASSET INVESTMENTS

	<i>Theatrical Productions</i> £	<i>Freehold property</i> £	<i>Fine arts</i> £	<i>Unlisted Shares</i> £	<i>Rights</i> £	<i>Total</i> £
Cost:						
1 May 2000	8,813	189,119	2,507,112	13	47,565	2,752,622
Additions	-	556,698	-	-	-	556,698
Disposals	(2,612)	-	-	-	-	(2,612)
Revaluation	-	1,995	-	-	-	1,995
30 April 2001	6,201	747,812	2,507,112	13	47,565	3,308,703
Amounts written off						
1 May 2000	6,524	-	-	-	-	6,524
Disposals	(337)	-	-	-	-	(337)
30 April 2001	6,187	-	-	-	-	6,187
Net book value						
30 April 2001	14	747,812	2,507,112	13	47,565	3,302,516
30 April 2000	2,289	189,119	2,507,112	13	47,565	2,746,098

The property assets included in fixed asset investments are treated as investment properties and are valued by the directors' at their open market value at 30 April 2001.

The historic cost of the properties is £745,817.

In the opinion of the directors the value of the rights is in excess of the amount stated in these financial statements.

Richard Attenborough Productions Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2001

10 DEBTORS	2001 £	2000 £
Due within one year:		
Trade debtors	705	347
Other debtors	112,357	86,701
Prepayments and accrued income	1,901	2,181
	<hr/>	<hr/>
	114,963	89,229
Due in more than one year:		
Amounts due from group undertakings	15,248	20,578
Amounts due from participating interests	16,874	1,243
Other debtors	-	50,550
	<hr/>	<hr/>
	147,085	161,600
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Ms Diana Hawkins, who is a director of Lambeth Productions Limited, Beaver Productions Limited, Piccadilly Productions Limited and Marble Arch Productions Limited, all of which are fellow subsidiaries of Attenborough Holdings Limited, had a loan of £90,100 outstanding at the year end (2000: £90,100).

11 CREDITORS: Amounts falling due within one year	2001 £	2000 £
Trade creditors	5,767	3,329
Other taxation and social security costs	290,283	281,792
Other creditors	678,271	47,870
Accruals and deferred income	14,819	17,933
	<hr/>	<hr/>
	989,140	350,924
	<hr/>	<hr/>

12 CREDITORS: Amounts falling due after more than one year	2001 £	2000 £
Amounts owed to group undertakings	3,563,478	3,650,633
Amounts owed to participating interests	213,054	225,554
	<hr/>	<hr/>
	3,776,532	3,876,187
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Richard Attenborough Productions Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2001

13 SHARE CAPITAL	2001 £	2000 £
Authorised, issued and fully paid:		
Equity:		
100 ordinary shares of £1 each	100	100
Non equity:		
100 4% non-cumulative preference shares of £1 each	100	100
1,000 deferred shares of 5p each	50	50
	<hr/>	<hr/>
	250	250
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Ordinary shares:

Dividends: The ordinary shareholders may receive a dividend of all the profits of the company available for distribution subject to the rights of the preference shareholders.

Winding up: The ordinary shareholders are entitled to repayment of the capital sum invested at par, on terms equal to those rights of the preference shareholders, but in priority to and repayment to the deferred shareholders.

Voting rights: The ordinary shareholders are entitled to vote at any general meeting of the company on the footing of one vote per share.

4% non-cumulative preference shares:

Dividends: The preference shareholders are entitled to a fixed non-cumulative dividend of 4% of the nominal value of the shares.

Winding up: The preference shareholders have rights equating to those of the ordinary shareholders in priority on winding up and are entitled to receive payment of the nominal value of the shares.

Voting rights: The ordinary shareholders are entitled to one vote at any general meeting of the company on the footing of one vote for every 10 shares.

Deferred shares:

Dividends: The deferred shareholders are not entitled to receive dividends.

Winding up: The deferred shareholders receive the remainder of the assets of the company after the rights of the ordinary and preference shareholders have been satisfied.

Voting rights: The deferred shareholders have the right to receive notice of and attend any general meeting of the company but are not entitled to vote unless there is a proposal to wind up the company. In such an event the deferred shareholders may have one vote per share and have the same rights to requisition meetings and propose resolutions as if they enjoy full voting rights.

Richard Attenborough Productions Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2001

14	RESERVES	Profit & loss £	Revaluation reserve £
	1 May 2000	(662,604)	-
	Loss for the financial year	(295,662)	-
	Revaluation of investment property	-	1,995
	30 April 2001	<u>(958,266)</u>	<u>1,995</u>
15	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	2001 £	2000 £
	Loss after taxation	(295,662)	(347,448)
	Opening shareholders' funds	(662,354)	(314,906)
	Other recognised gains and losses relating to the year	1,995	-
		<u>(956,021)</u>	<u>(662,354)</u>
	Non-equity interests	50	50
	Equity interests	<u>(956,071)</u>	<u>(662,404)</u>
		<u>(956,021)</u>	<u>(662,354)</u>

16 PENSION COMMITMENTS

The company operates a defined contributions pension scheme whose assets are held in independent administered funds. The charge for the year was £2,518 (2000: £ 3,800).

17 GUARANTEE

The company has given an unlimited guarantee to its bankers in respect of the bank loans and overdrafts held by the following companies:

Attenborough Holdings Limited
Marble Arch Productions Limited
Attenborough Securities Limited
Attenborough Overseas Limited

At 30 April 2001, the relevant bank loans and overdrafts totalled £190,624 (2000: £244,431).

Richard Attenborough Productions Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2001

18 ULTIMATE PARENT UNDERTAKING

In the opinion of the directors the ultimate parent undertaking is Attenborough Holdings Limited, a company registered in England and Wales, which is ultimately controlled by Lord Attenborough.

19 RELATED PARTY TRANSACTIONS

The following companies are related parties by virtue of common control.

Attenborough Securities Limited
Beaver Films Limited
Shadowlands Productions Limited
Indo British Films Limited
Richard Attenborough Charitable Trust

- (a) included in creditors is an interest-free loan of £213,054 (2000: £225,554) from Attenborough Securities Limited;
- (b) throughout the year an interest-free loan of £1,243 was due from Beaver Films Limited;
- (c) throughout the year an amount of £16,026 was due from Shadowlands Productions Limited. Full provision against this has been made;
- (d) included in other creditors is a loan from M Attenborough of £35,000 (2000: £35,000). M Attenborough is the son of Lord Attenborough, a director. No interest is paid on this loan;
- (e) included in other debtors is a loan to The Richard Attenborough Charitable Trust of £4,682 (2000: £650) of which Lord and Lady Attenborough, directors, are trustees. No interest is charged on this loan;
- (f) included in other creditors is an amount of £640,307 (2000 £9,906) owed to Lord Attenborough, a director. No interest is paid on this loan.
- (g) the company has taken advantage of the exemption conferred by Financial Reporting Standard 8 from disclosing details of transactions and balances with its immediate parent and fellow subsidiary undertakings.