

**COMPANIES  
HOUSE**  
**LEASE FINANCE & SUPPLIES LIMITED**  
**DIRECTORS' REPORT**

**DIRECTORS:** D.S. Altschuler  
H.E. Kitchner  
P.J. Pulford

**SECRETARY:** P.J. Pulford

**REGISTERED OFFICE:** 124/130, Seymour Place, London, W1H 6AA

**COMPANY NUMBER:** 1478313

The directors present their report with the financial statements of the company for the year ended 31st January, 1999.

**RESULTS AND DIVIDENDS**

The results for the year are set out on page 4 to the financial statements.

The directors do not recommend the payment of a dividend.

**PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS**

The principal activity of the company is that of a service company, buying and selling equipment. The company is also a partner in Scanfilm Finance, a partnership between the company and a number of other companies which provides services in connection with the sale and distribution of films and related activities.

The directors are satisfied with the results for the year and the state of affairs of the company at the balance sheet date.

**DIRECTORS AND THEIR INTERESTS**

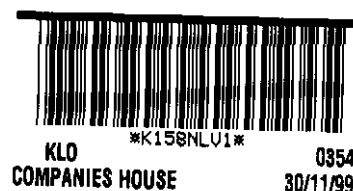
The directors of the company at 31st January, 1999 are listed above.

Lease Finance and Supplies Limited is a wholly owned subsidiary undertaking of Topearn Limited and the directors' interests in the share capital of the parent undertaking are disclosed in that company's accounts.

**DIRECTORS' RESPONSIBILITIES FOR THE 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:

- select suitable accounting policies and then apply them consistently;



**LEASE FINANCE & SUPPLIES LIMITED**  
**DIRECTORS' REPORT**

**DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS (Continued)**

- make judgements and estimates that are reasonable and prudent;
- 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 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 Messrs. Bright Grahame Murray, Chartered Accountants, of 124/130, Seymour Place, London, W1H 6AA., as auditors of the company will be proposed at the Annual General Meeting.

By order of the Board

  
.....  
Director

.....  
29 November 88  
.....  
Date

**REPORT OF THE AUDITORS TO THE MEMBERS OF**  
**LEASE FINANCE & SUPPLIES LIMITED**

We have audited the financial statements 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 pages 1 and 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 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 financial statements.

**OPINION**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st January, 1999 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

124/130, Seymour Place,  
London, W1H 6AA.  
30th November, 1999

  
**BRIGHT GRAHAME MURRAY**  
**Chartered Accountants**  
**and Registered Auditors**

LEASE FINANCE & SUPPLIES LIMITED  
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST JANUARY, 1999

	<u>Notes</u>	<u>1999</u> £	<u>1998</u> £
Administrative expenses		-	100
		—	—
<b>OPERATING LOSS</b>	2	-	(100)
Retained profit brought forward		947	1,047
		—	—
<b>RETAINED PROFIT CARRIED FORWARD</b>		947	947
		===	=====

All amounts relate to continuing activities.

There were no recognised gains or losses other than those included in the profit and loss account.

The attached notes 1 to 8 form part of these financial statements.

**LEASE FINANCE & SUPPLIES LIMITED**  
**BALANCE SHEET AT 31ST JANUARY, 1999**

	<u>Notes</u>	£	<u>1999</u>	£	£	<u>1998</u>	£
<b>FIXED ASSETS</b>							
Investment	3			20			20
 <b>CURRENT ASSETS</b>							
Debtors	4	1,047			1,147		
<b>CREDITORS:</b> amounts falling due within one year	5		<u>20</u>			<u>120</u>	
<b>NET CURRENT ASSETS</b>				<u>1,027</u>			<u>1,027</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				1,047			1,047
				=====			=====
 <b>CAPITAL AND RESERVES</b>							
Called up share capital	6			100			100
Profit and loss account				<u>947</u>			<u>947</u>
<b>SHAREHOLDERS' FUNDS - EQUITY</b>	7			1,047			1,047
				=====			=====

.....) }  
.....) } Directors  
.....) }

Approved on... 29 November 99 .....

The attached notes 1 to 8 form part of these financial statements.

**LEASE FINANCE & SUPPLIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST JANUARY, 1999**

**1. ACCOUNTING POLICIES'**

**BASIS OF PREPARATION OF ACCOUNTS**

The financial statements are prepared under the historical cost convention and are in accordance with applicable Accounting Standards.

The company is a partner in Scanfilm Finance Partnership and accounts for its share of profits and losses of the partnership.

**DEFERRED TAXATION**

Deferred taxation is provided on the liability method on all timing differences where a liability is likely to arise in the future.

	<u>1999</u> £	<u>1998</u> £
<b>2. OPERATING LOSS</b>		
This is stated after charging:		
Auditors' remuneration	-	100
	===	===

**3. INVESTMENT**

Scanfilm Finance (a partnership between Lease Finance & Supplies Limited and various other U.K. companies)	20	20
	==	==

The company is a partner with Forward Publishing Limited and Grove Holding Company Limited, in Scanfilm Finance ("the partnership").

The company acts at times as nominee on behalf of the partnership and as such the company enters into transactions in its own name on behalf of the partnership, which are reflected in the partnership's books rather than those of the company.

The partnership did not trade during the year under review and the company's share of the partnership's assets at the balance sheet date was £20 (1998: £20).

	<u>1999</u> £	<u>1998</u> £
<b>4. DEBTORS</b>		
Amount due by ultimate parent undertaking	1,047	1,147
	=====	=====

**LEASE FINANCE & SUPPLIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST JANUARY, 1999**

	<u>1999</u> £	<u>1998</u> £
<b>5. CREDITORS: amounts falling due within one year</b>		
Other creditors	20	20
Accruals	<u>-</u>	<u>100</u>
	20	120
	===	===
 <b>6. SHARE CAPITAL</b>		
Authorised, allotted, called up and fully paid		
100 ordinary shares of £1 each	100	100
	===	===
 <b>7. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS</b>		
Loss for the year	-	(100)
Opening shareholders' funds	<u>1,047</u>	<u>1,147</u>
Closing shareholders' funds	1,047	1,047
	=====	=====

**8. RELATED PARTIES**

The ultimate parent undertaking is Topearn Limited, a company registered in England and Wales.

Accounts of the ultimate parent undertaking are available from the registered office of this company.

Exemption has been taken of related party disclosures in respect of group transactions on the grounds that details of Lease Finance & Supplies Limited are included in publicly available consolidated financial statements.