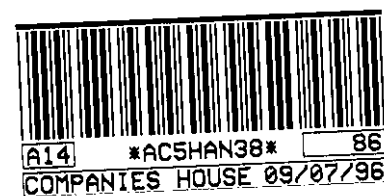


CHANNEL THEATRE PRODUCTIONS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1996

F. Whitten
Chartered Accountant
29 High Street
Bridge
Kent CT4 5JZ



Channel Theatre Productions Limited
Report of the Directors

The directors present their report with the accounts of the company for the year ended 31 March 1996.

Principal Activity

The principal activity of the company in the year under review was the provision of management services to the theatre industry.

Review of Business

A summary of the results of the years trading is given on page 3 of the accounts. The directors consider the profit achieved on ordinary activities to be acceptable.

Directors

The directors in office during the year and their beneficial interest in the issued ordinary share capital were as follows:

	At 31.3.96	At 31.3.95
V. Mallatratt	26	16
P.J. Dart (Resigned 12 June 1995)	-	15

Statement of Director's 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 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;
- 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.

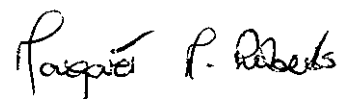
Channel Theatre Productions Limited
Report of the Directors (Continued)

Auditor

The auditor F. Whitten will be proposed for re-appointment in accordance with Section 14 (1) of the Companies Act 1976.

In preparing this report, the directors have taken advantage of special exemptions applicable to small companies conferred by Part II of Schedule 8 to the Companies Act 1985.

By Order of the Board



Secretary

4 July
~~June~~ 1996
16 The Street
Ash
Canterbury
Kent CT3 2HJ

Channel Theatre Productions Limited
Profit & Loss Account
For the Year Ended 31 March 1996

	Note	1996	1995
Turnover	2	26668	15667
Cost of Sales		<u>-</u>	<u>6977</u>
Gross Profit		<u>26668</u>	<u>8690</u>
Administrative Expenses		<u>27434</u>	<u>3877</u>
Other Operating Income		<u>801</u>	<u>2280</u>
Operating Profit	3	35	7093
Profit (Loss) on Sale of Fixed Assets		<u>-</u>	<u>(3380)</u>
		35	3713
Interest Payable	5	<u>139</u>	<u>27</u>
Profit on Ordinary Activities before Taxation		<u>(104)</u>	<u>3686</u>
Tax on Profit or Loss on Ordinary Activities	10	<u>69</u>	<u>1487</u>
Profit (Loss) on Ordinary Activities after Taxation			
Retained for the Year		<u>(173)</u>	<u>2199</u>
Retained Profit brought forward		<u>24979</u>	<u>22780</u>
Retained Profit carried forward		<u>£ 24806</u>	<u>24979</u>

Continuing Operation

None of the company's activities were acquired or discontinued during the current and previous year.

Total Recognised Gains or Losses

The company has no recognised gains or losses other than the profits for the current and previous year.

The notes on pages 5 & 6 form part of these accounts

Channel Theatre Productions Limited
Balance Sheet
As At 31 March 1996

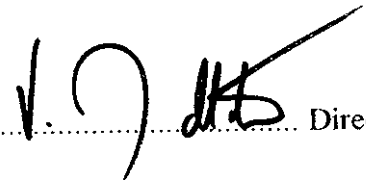
	None	1996	1995
Fixed Assets			
Tangible Assets	6	<u>7930</u>	<u>8750</u>
Current Assets			
Debtors	7	3578	-
Cash at Bank & in Hand		<u>18794</u>	<u>28184</u>
		22372	28184
Creditors: Amounts falling due within one year	8	<u>5465</u>	<u>11924</u>
		<u>16907</u>	<u>16260</u>
Total Assets less Current Liabilities		£ <u>24837</u>	<u>25010</u>
Capital & Reserves			
Called Up Share Capital	9	31	31
Profit & Loss Account		<u>24806</u>	<u>24979</u>
		£ <u>24837</u>	<u>25010</u>

During the year ended 31 March 1996 the company was entitled to exemption under subsection (1) of section 249A of the Companies Act 1985. No notice has been deposited under subsection (2) of section 249B. The directors acknowledge their responsibility for:

(1) ensuring that the company keeps proper accounting records which comply with section 221, and

(11) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit and loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.

Advantage has been taken, in the preparation of the accounts, of special exemptions applicable to small companies. In the opinion of the directors, the company is entitled to those exemptions on the basis that it qualifies as a small company under section 247.

 Director

Approved by the Board 4.7.96

The notes on pages 5 & 6 form part of these accounts

Channel Theatre Productions Limited
 Notes to the Accounts
 For the Year Ended 31 March 1996

1. Accounting Policies

a. Basis of Accounting

The accounts have been prepared under the historical cost convention.

b. Turnover

Turnover represents income from services including expenses.

c. Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Motor Vehicles	- 25% written down value
Equipment	- 33.3% straight line method

2. Turnover

The turnover & profit before taxation is attributable to the principal activity of the company.
 An analysis of turnover is given below

	1996	1995
United Kingdom	4813	15667
Europe	<u>21855</u>	<u>-</u>
	<u>26668</u>	<u>15667</u>

3. Operating Profit

The operating profit is stated after charging:

Depreciation	2814	2915
Staff Costs (note 4)	15423	389
Auditors Remuneration	-	300
Accountancy Fees	800	-

4. Staff Costs

Directors Remuneration	13750	-
Wages & Salaries	-	-
Social Security Costs	1673	389

The average weekly number of employees during the year was as follows:

Office & Management	1	2
Production & Sales	-	-

5. Interest Payable

Hire Purchase Interest	£ <u>139</u>	<u>27</u>
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Channel Theatre Productions Limited
Notes to the Accounts (Continued)
Year Ended 31 March 1996

6. Tangible Fixed Assets

	Equipment £	Motor Vehicles £	Total £
At Cost 1.4.1995	-	11665	11665
Additions during Year	<u>1994</u>	<u>-</u>	<u>1994</u>
At Cost 31 March 1996	<u>1994</u>	<u>11665</u>	<u>13659</u>
Depreciation at 1.4.1995	-	2915	2915
Charge for Year	<u>664</u>	<u>2150</u>	<u>2814</u>
At 31 March 1996	<u>664</u>	<u>5065</u>	<u>5729</u>
Written Down Values 31 March 1996	1330	6600	7930
Written Down Values 31 March 1995	-	8750	8750
		1996	1995
7. Debtors			
Trade Debtors		3578	-
Prepayments		-	-
Social Security & Other Taxes		-	-
	£	<u>3578</u>	<u>-</u>
8. Creditors: Amounts falling due within one year			
Trade Creditors		1218	457
Other Creditors		3500	3500
Accruals		268	268
Social Security & Other Taxes		410	3379
Corporation Tax		69	1487
Hire Purchase Creditor Current Portion		-	<u>2833</u>
	£	<u>5465</u>	<u>11924</u>
9. Called Up Share Capital			
Authorised			
1000 Ordinary Shares of £1 each	£	<u>1000</u>	<u>1000</u>
Allotted, Issued & Fully Paid			
31 Ordinary Shares of £1 each	£	<u>31</u>	<u>31</u>
10. Taxation			
Corporation tax is provided at 25% of the adjusted profits for the year		69	1487
Adjustment for Other Years		-	-
	£	<u>69</u>	<u>1487</u>