

1699152  
/9

STUDIOSPARES LIMITED  
REPORT OF THE DIRECTORS

The Directors submit their Report and accounts of the Company for the year ended 28 February 1985.

RESULTS AND DIVIDENDS

The results of the year and the financial position of the Company are shown in the annexed accounts. In particular the profit for the year after taxation was £31416.

The directors do not recommend payment of a dividend for the year.

No transfer to or from reserves has been made, leaving £15493 profit to be retained.

REVIEW OF THE BUSINESS

The principal activity of the Company is that of wholesale and retail sale of recording equipment and accessories.

The progress of the company during the year accorded with expectations and the position at the year end is regarded as satisfactory. No significant changes in the future development of the company are proposed, nor has there occurred since the end of the year any event of such significance that reference to it should be made in this report.

SHARE CAPITAL

No shares or debentures were issued during the year.

FIXED ASSETS

Details of changes in fixed assets are given in the notes to the accounts.

In the opinion of the directors the market value of interests in land (including buildings) held as fixed assets at the balance sheet date exceeded book value. However, the directors consider the expense of a professional valuation is not justified because the difference between market and book value is not sufficiently material. The property is occupied by the company for its own use.

CLOSE COMPANY STATUS

In the opinion of the directors the company is a close company within the meaning of the Income and Corporation Taxes Act 1970.

DIRECTORS

Interests in shares

The Directors who served during the year and their respective interests in the shares of the company, as disclosed in the company's register of directors' share interests, were as stated below. These interests were all beneficially held.

Name	Class of Share	Number held at	
		28.2.1985	28.2.1984
MR. B. LAMBDEN	Ordinary	1	
MRS. P.D. LAMBDEN	"	1	

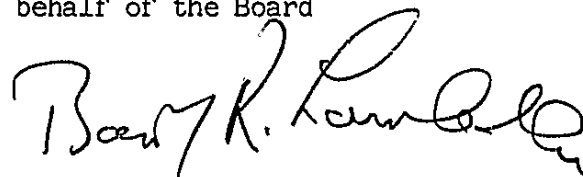


STUDIOSPARES LIMITED  
REPORT OF THE DIRECTORS

AUDITORS

The Auditors, Foreman and Hill, have signified their willingness to continue in office and a resolution to re-appoint them in accordance with Section 385 Companies Act 1985 will be proposed at the Annual General Meeting.

On behalf of the Board



B. LAMB DEN  
CHAIRMAN

28th February 1986

Registered Office  
7 Harvil Road  
Ickenham, Uxbridge  
Middlesex. UB10 8AT

Business Address  
16 Stuckley Place  
London NW1 6NS

REPORT OF THE AUDITORS TO THE MEMBERS OF

STUDIOSPARES LIMITED

We have audited the accounts set out on pages 1 to 7 in accordance with approved auditing standards.

In our opinion the accounts, which have been prepared under the historical cost convention, give a true and fair view of the state of the company's affairs at 28 February 1985 and of the profit and source and application of funds for the year ended on that date and comply with the Companies Act 1985.

A handwritten signature in dark ink, appearing to read 'Foreman & Hill', is written over the printed name of the firm.

FOREMAN AND HILL  
14 PARK STREET  
WINDSOR  
Berkshire.

28 February 1986

STUDIOSPARES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 28 FEBRUARY 1985

	<u>Notes</u>	<u>1985</u>	<u>1984(10 months)</u>
TURNOVER	(1)	299877	84980
Cost of sales		(230535)	(66153)
GROSS PROFIT		<u>69342</u>	<u>18827</u>
Distribution costs	16033	13405	
Administrative expenses	(2,4-6) 26222	<u>17340</u>	
		(42255)	(30745)
OPERATING PROFIT (LOSS)		<u>27087</u>	<u>(11918)</u>
Other interest receivable		379	-
		<u>27466</u>	<u>(11918)</u>
Interest payable	(3)	<u>3950</u>	<u>(4005)</u>
PROFIT(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		31416	(15923)
Tax on profit on ordinary activities	(7)	<u>Nil</u>	<u>Nil</u>
PROFIT(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION AND PROFIT(LOSS) FOR THE FINANCIAL YEAR	(15)	<u>£ 31416</u>	<u>£(15923)</u>

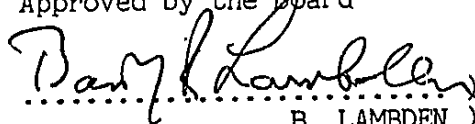
The Notes on pages 3 to 6 form an integral part of these Accounts.

STUDIOSPARES LIMITED

BALANCE SHEET AT 28 FEBRUARY 1985

	<u>Notes</u>	<u>1985</u>	<u>1984</u>
FIXED ASSETS			
Tangible assets	(8)	57293	59294
CURRENT ASSETS			
Stocks	(10)	51890	32885
Debtors	(11)	57794	23625
Cash at bank and in hand		638	2604
		<u>110322</u>	<u>59114</u>
CURRENT LIABILITIES			
Creditors - Amounts falling due within one year	(12)	(112120)	(60024)
NET CURRENT ASSETS/(LIABILITIES)		<u>(1798)</u>	<u>(910)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		55495	58384
Creditors - Amounts falling due after more than one year	(12)	(40000)	(74305)
NET ASSETS		<u>£ 15495</u>	<u>£(15921)</u>
CAPITAL AND RESERVES			
Called up share capital	(14)	2	2
Profit and Loss Account	(15)	15493	(15923)

Approved by the Board



B. LAMBDEN

} DIRECTORS



P.D. LAMBDEN

28th February 1986

£ 15495

£(15921)

The Notes on Pages 3 to 6 form an integral part of these Accounts.

STUDIOSPARES LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 28 FEBRUARY 1985

1. ACCOUNTING POLICIES

(a) Basis of accounting

The accounts are prepared under the historical cost convention.

(b) Turnover

Turnover represents the net value of goods sold, excluding Value Added Tax.

(c) Stocks

Stock is valued at the lower of cost and net realisable value, cost being the original charge for the items computed on a first-in-first-out basis.

(d) Depreciation

Depreciation is calculated to write off the cost or valuation of the fixed assets including assets subject to hire purchase contracts in equal annual instalments over their estimated useful lives on the following basis.

	Years
Freehold property	50 years
Freehold improvements	10
Office equipment	5
Motor vehicles	4

(e) Deferred Taxation

Deferred taxation is calculated at current rates of tax in respect of timing differences between profit as computed for taxation purposes and profit as stated in the accounts, other than those differences which are expected to continue with reasonable probability in the future.

2. OPERATING PROFIT

Distribution costs:

Depreciation

Other costs

Administrative expenses:

Audit fee and expenses

Depreciation

Other costs

<u>1985</u>	<u>1984</u>
500	-
15533	13405
<u>£ 16033</u>	<u>£ 13405</u>
500	380
3743	2795
21979	14165
<u>£ 26222</u>	<u>£ 17340</u>

STUDIOSPARES LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 28 FEBRUARY 1985

	<u>1985</u>	<u>1984(10 months)</u>
3. INTEREST PAYABLE		
On bank loans, overdrafts, and other loans:		
Repayable within 5 years, not by instalments	50	5
Repayable wholly or partly in more than 5 years (adjustment - loan interest free)	(4000)	4000
	<u>£(3950)</u>	<u>£ 4005</u>
4. DIRECTORS EMOLUMENTS	<u>1985</u>	<u>1984</u>
Remuneration	<u>£ 5000</u>	<u>£ 3400</u>
5. DIRECTORS' INTERESTS IN CONTRACTS, TRANSACTIONS OR ARRANGEMENTS		
There were no material contracts, transactions or arrangements during the year in which any director had an interest other than a service contract.		
6. ADDITIONAL INFORMATION RELATING TO EMPLOYEES	<u>1985</u>	<u>1984</u>
Staff costs during the year amounted to:		
Salaries (Directors)	5000	3400
Social security costs	Nil	Nil
	<u>£ 5000</u>	<u>£ 3400</u>
The average weekly number of persons employed by the company was 2 (1984 - 2) split into the following categories:	Number	Number
	<u>1985</u>	<u>1984</u>
Directors	<u>2</u>	<u>2</u>
7. TAX ON PROFIT ON ORDINARY ACTIVITIES	<u>1985</u>	<u>1984</u>
<u>Current year</u>		
Corporation Tax	Nil	Nil

If full provision had been made for the potential amount of deferred tax amounting to £13627 (1984 - £14450), the tax charge for the year would have been reduced by £933 (1984 increased by £14560)

# STUDIOSPARES LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 28 FEBRUARY 1985

### 8. TANGIBLE FIXED ASSETS

COST	Freehold Property	Office Equip't	Motor Vehicles	Total
At beginning of year	51228	10861	-	62089
Additions	-	242	2000	2242
At end of year	<u>£ 51228</u>	<u>£ 11103</u>	<u>£ 2000</u>	<u>£ 64331</u>
DEPRECIATION				
At beginning of year	623	2172	-	2795
Charge for year	1522	2221	500	4243
At end of year	<u>£ 2145</u>	<u>£ 4393</u>	<u>£ 500</u>	<u>£ 7038</u>
NET BOOK VALUE				
At end of year	<u>£ 49083</u>	<u>£ 6710</u>	<u>£ 1500</u>	<u>£ 57293</u>
At beginning of year	<u>£ 50605</u>	<u>£ 8689</u>	<u>£ -</u>	<u>£ 59924</u>

### 9. CAPITAL COMMITMENTS

The company has no capital commitments which have not been provided for in the accounts.

10. STOCKS	1985	1984
Finished goods	<u>£ 51890</u>	<u>£ 32885</u>

11. DEBTORS		
Trade debtors	56122	23457
Other debtors	1148	-
Prepayments	524	168
	<u>£ 57794</u>	<u>£ 23625</u>

12. CREDITORS	Falling due:			
	Within one year	After one year		
	1985	1984	1985	1984
Loans (see Note 13.)	10000	5000	40000	45000
Trade creditors	62512	44605		
Other taxation and social security	1510	2142		
Directors' current account	24462			29305
Accruals	13636	8277		
	<u>£ 112120</u>	<u>£ 60024</u>	<u>£ 40000</u>	<u>£ 74305</u>



# STUDIOSPARES LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 28 FEBRUARY 1985

### 13. LOANS

	Falling due:			
	<u>Within one year</u>		<u>After one year</u>	
	<u>1985</u>	<u>1984</u>	<u>1985</u>	<u>1984</u>
<u>Repayable by instalments</u> <u>after 5 years</u>				
Bank loans and overdrafts	£ 10000	£ 5000	£ 40000	£ 45000

Repayable by annual instalments  
of £5000. The loan is interest free.

The above loan is unsecured.

### 14. SHARE CAPITAL

#### Authorised

100 Ordinary shares of £1 each	£ 100	£ 100
--------------------------------	-------	-------

#### Allotted, issued and fully paid

2 Ordinary shares of £1 each	£ 2	£ 2
------------------------------	-----	-----

### 15. RESERVES

#### PROFIT AND LOSS ACCOUNT:

Balance at beginning of year	(15923)	-
Retained profit/(loss) for year	31416	(15923)
Balance at end of year	£ 15493	£(15923)

### 16. TAXATION

The company has unrelieved capital allowances  
and tax losses of £28146. (1984 £62693)

STUDIOSPARES LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS  
FOR THE YEAR ENDED 28 FEBRUARY 1985

	<u>1985</u>	<u>1984</u>
<u>SOURCE OF FUNDS</u>		
Profit/(Loss) on ordinary activities before taxation	31416	(15923)
Adjustments for items not involving the movement of funds:		
Depreciation	4243	2795
Funds generated from operations	35659	(13128)
Funds from other sources:		
Shares issued for cash	-	2
Loans	-	74305
	-	74307
Total funds generated	35659	61179
<u>APPLICATION OF FUNDS</u>		
Purchase of fixed assets	2242	62089
Borrowings becoming repayable within one year	34305	-
	(36547)	(62089)
<u>INCREASE/(DECREASE) IN WORKING CAPITAL</u>	£ (888)	£ (910)
<u>REPRESENTING (FUNDED BY)</u>		
Increase(decrease) in stocks	19005	32885
Increase(decrease) in debtors	34169	23625
(increase)decrease in creditors	(47096)	(55024)
	6078	1486
Net liquid funds:		
Increase(decrease) in bank and cash	(1966)	2604
(Increase)decrease in borrowing repayable within one year	(5000)	(5000)
	(6966)	(2396)
	£ (888)	£ (910)