

BOX PRODUCTIONS LIMITED

INDEX TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 1994

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BOX PRODUCTIONS LIMITED

AUDITORS' REPORT TO THE DIRECTORS OF BOX PRODUCTIONS LIMITED

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages 3 to 6 together with the financial statements applicable to small companies of Box Productions Limited for the year ended 30 June 1994. The scope of our work for the purpose of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors' statement on page 3 and that the abbreviated financial statements have been properly prepared from the financial statements applicable to small companies.

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 year ended 30 June 1994, and the abbreviated financial statements on pages 3 to 6 have been properly prepared in accordance with that schedule.

On 26 April 1995 we reported, as auditors of Box Productions Limited, to the members on the financial statements applicable to small companies prepared under S226 of the Companies Act 1985 for the year ended 30 June 1994, and our audit report was as follows:

'We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

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 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.

BOX PRODUCTIONS LIMITED

AUDITORS' REPORT TO THE DIRECTORS OF BOX PRODUCTIONS LIMITED

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985 - CONTINUED

Fundamental uncertainty

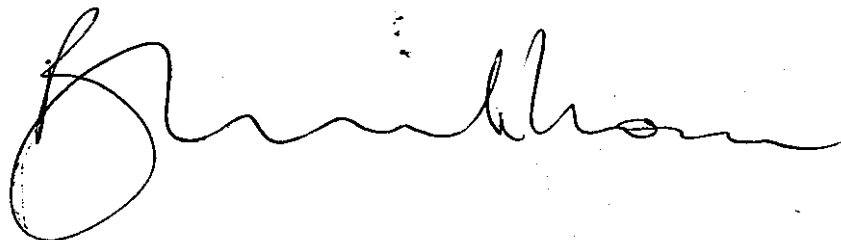
In forming our opinion, we have considered the adequacy of the disclosures made in the financial statements concerning the company's ability to continue as a going concern. Details of the circumstances relating to this fundamental uncertainty are described in note 11. Our opinion is not qualified in this respect.

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 30 June 1994 and of its results for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.'

Blinkhorns
Chartered Accountants and Registered Auditors
14/16 Great Portland Street
London
W1N 6BL

26 April 1995



BOX PRODUCTIONS LIMITED

ABBREVIATED BALANCE SHEET

AT 30 JUNE 1994

	<u>NOTES</u>	<u>1994</u>	<u>1993</u>
		£	£
FIXED ASSETS			
Tangible assets	2	10,216	18,974
CURRENT ASSETS			
Debtors		22,419	16,266
Cash at bank and in hand		9,222	59
		<u>31,641</u>	<u>16,325</u>
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR		<u>(138,063)</u>	<u>(110,740)</u>
NET CURRENT LIABILITIES		(106,422)	(94,415)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(96,206)</u>	<u>(75,441)</u>
CAPITAL AND RESERVES			
Called up share capital	3	2	2
Profit and loss account		(96,208)	(75,443)
		<u>(96,206)</u>	<u>(75,441)</u>

The directors have taken advantage of the exemptions conferred by Part III and the special exemptions conferred by Part I of Schedule 8 of the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

Sean McPhileamy
J J S McPhileamy - Director

Approved by the Board on 26 April 1995.

The attached notes form part of these financial statements.

BOX PRODUCTIONS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

AT 30 JUNE 1994

1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year and also have been consistently applied within the same financial statements.

Basis of Preparation of the Financial Statements

The financial statements are prepared under the historical cost convention.

The effect of events relating to the year ended 30 June 1994 which occurred before the date of approval of the financial statements by the Board of Directors, have been included in financial statements to the extent required to show a true and fair view of the state of affairs at 30 June 1994 and for the results for the year ended on that date.

Depreciation

Depreciation is provided on all tangible fixed assets at the following annual rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life.

Furniture and equipment	25% Reducing balance
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The cost of leasehold premises is written off over the initial life of the lease.

Deferred Taxation

The company has adopted the proposals of Statement of Standard Accounting Practice No.15 whereby no provision has been made for deferred taxation arising from the excess of accelerated capital allowances over depreciation charged in the financial statements as no liability of this nature is expected to arise in the foreseeable future.

BOX PRODUCTIONS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

AT 30 JUNE 1994

2. TANGIBLE FIXED ASSETS

Cost:	£
At 1 July 1993	58,802
Additions	550
Disposals	(10,495)
At 30 June 1994	<u>48,857</u>
Depreciation:	
At 1 July 1993	39,828
Charge for year	4,881
On disposals	(6,068)
At 30 June 1994	<u>38,641</u>
Net book value :	
At 30 June 1994	<u>10,216</u>
At 30 June 1993	<u>18,974</u>

3. SHARE CAPITAL

	<u>Authorised</u>	<u>Allotted, called up and fully paid</u>
	£	£
Ordinary shares of £1 each	<u>1,000</u>	<u>2</u>

There have been no changes during the year.

4. DIRECTORS INTERESTS IN TRANSACTIONS

Mr W J T Plender, a director of the company, is also in business as a self employed consultant. During the year £5,000 (1993 £8,500) was paid at market rates to Mr Plender in his capacity as a self employed consultant.

During the year, the company car was sold to Mrs K McPhilemy for £1500.

BOX PRODUCTIONS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

AT 30 JUNE 1994

5. GOING CONCERN

The financial statements have been prepared on the basis which assumes continued support from the creditors and in particular its bankers and of the shareholders. At the balance sheet date current liabilities exceeded current assets by £106,422 (1993 £94,415) and there was a loss after taxation of £20,765 (1993 £29,724).

The company has been trading since the balance sheet date at a reduced level. In that time the company's overdraft has been substantially eliminated by additional receipts in excess of those anticipated in these accounts in respect of work completed by 30 June 1994, and by severe reductions in administration expenses. On this basis the directors are of the opinion that although the company has net current liabilities, the financial statements should be drawn up on a going concern basis.

Should the company be unable to continue trading, adjustments would have to be made to reduce the value of assets to their recoverable amount and to provide for any further liabilities which may arise.