

**TARGA FLORIO PRODUCTIONS
LIMITED**

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED

31 OCTOBER 1998

TARGA FLORIO PRODUCTIONS LIMITED

ABBREVIATED ACCOUNTS

For the year ended 31 October 1998

Company registration number: 2754336

Registered office: The Sol Studios
Mill Lane
Cookham
Berkshire
SL6 9QT

Director: C Rea

Secretary: J Rea

Solicitors: Theodore Goddard
150 Aldersgate Street
London
EC1A 4EJ

Auditors: Grant Thornton
Registered Auditors
Chartered Accountants
London

TARGA FLORIO PRODUCTIONS LIMITED

ABBREVIATED ACCOUNTS

For the year ended 31 October 1998

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REPORT OF THE AUDITORS TO
TARGA FLORIO PRODUCTIONS LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 4 together with the full financial statements of Targa Florio Productions Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 October 1998.

Respective responsibilities of the director and auditors

The director is responsible for preparing the abbreviated accounts in accordance with the provisions of section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) and whether the abbreviated accounts have been properly prepared in accordance with those provisions.

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 director 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 company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 4 have been properly prepared in accordance with those provisions



GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
LONDON

13 May 1999

TARGA FLORIO PRODUCTIONS LIMITED

PRINCIPAL ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

TURNOVER

Turnover is the total amount receivable by the company in the ordinary course of business for royalties, production and performance fees.

INTEREST

Bank interest is accounted for on a received basis.

TARGA FLORIO PRODUCTIONS LIMITED

ABBREVIATED BALANCE SHEET AT 31 OCTOBER 1998

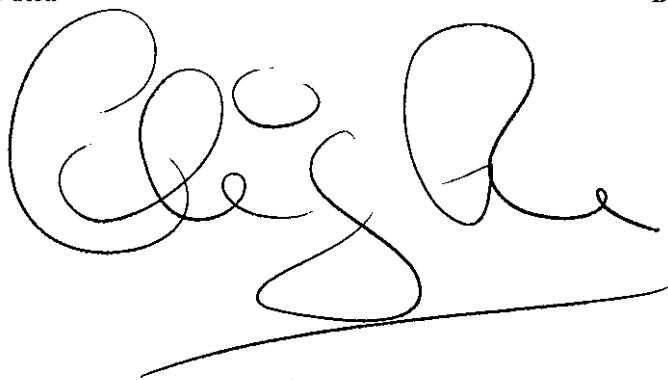
	Note	1998 £	1998 £	1997 £	1997 £
Current assets					
Debtors		-		792	
Cash at bank and in hand		-		15,000	
		-		15,792	
Creditors: amounts falling due within one year		(183,050)		(197,015)	
Net current liabilities			(183,050)		(181,223)
Total assets less current liabilities			(183,050)		(181,223)
Capital and reserves					
Called up share capital	1		100		100
Profit and loss account			(183,150)		(181,323)
			(183,050)		(181,223)

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated accounts were approved by the Board of Directors on

C Rea

Director



The accompanying accounting policies and notes form an integral part of these abbreviated accounts.

TARGA FLORIO PRODUCTIONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

For the year ended 31 October 1998

1 SHARE CAPITAL

	1998	1997
	£	£
Authorised share capital		
Ordinary shares of £1 each	1,000	1,000
	<hr/>	<hr/>
Allotted, called up and fully paid		
Ordinary shares of £1 each	100	100
	<hr/>	<hr/>

GOING CONCERN

The Ultimate Parent Undertaking, Navybeck Limited, has agreed to provide financial support to the company for a period of not less than twelve months from the date of approval of these financial statements. Accordingly the director considers that preparation on the going concern basis is appropriate.

2 CONTROLLING RELATED PARTY

The director considers that the controlling related party and ultimate parent undertaking of this company is Navybeck Limited, which is registered in England and Wales.