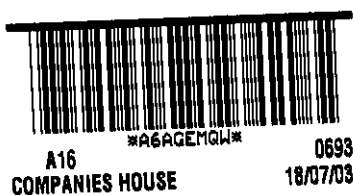


Camera Eye Ltd
Financial statements
For the year ended 31 October 2002

Grant Thornton 



Company No. 0919721

Company information

Company registration number	0919721
Registered office	24-26 Brownlow Mews London WC1N 2LA
Director	D R Bailey
Secretary	Catherine Bailey
Bankers	National Westminster National Westminster Bank Plc 250 Regent Street PO Box No 4RY London W1A 4RY

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Report of the director

The director presents his report and the unaudited financial statements of the company for the year ended 31 October 2002.

Principal activities and business review

The company is principally engaged in photography, film making and the provision of ancillary services in connection therewith.

The directors recommend the payment of a dividend amounting to £50,000 (2001: £110,000).

The director and his interests in shares of the company

The director who served the company during the year together with his beneficial interests, including family holdings, in the shares of the company was as follows:

	Ordinary Shares of £1 each	
	At 31 October 2002	At 1 November 2001
D R Bailey	<u>100</u>	<u>100</u>

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

ON BEHALF OF THE BOARD

D Bailey
Director
16 July 2003



Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The company is exempt from preparing consolidated financial statements on the grounds that, taken together with its subsidiaries, it qualifies as a small group under section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	- 50 years straight line
Photographic equipment	- 15% pa on cost
Fixtures & Fittings	- 20% pa on cost
Motor Vehicles	- 25% wdv

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Profit and Loss Account.

Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more, or a right to pay less, tax in the future have occurred by the balance sheet date.

Deferred tax assets are recognised when it is more likely than not that they will be recovered.

Deferred tax is measured using the rates of tax that have been enacted or substantively enacted by the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Profit and loss account

	Note	2002 £	2001 £
Turnover		683,870	877,736
Cost of sales		100,031	117,212
Gross profit		583,839	760,524
Other operating income and charges	2	306,874	590,830
Operating profit	3	276,965	169,694
Income from shares in group undertakings	5	—	45,707
Interest receivable		16,974	16,983
Profit on ordinary activities before taxation		293,939	232,384
Tax on profit on ordinary activities	6	57,335	30,634
Profit on ordinary activities after taxation		236,604	201,750
Equity dividends paid		50,000	110,000
Retained profit for the financial year	15	186,604	91,750

The accompanying notes form part of these financial statements.

Balance sheet

	Note	2002 £	2001 £
Fixed assets			
Tangible assets	7	295,477	309,682
Investments	8	1	1
		<u>295,478</u>	<u>309,683</u>
Current assets			
Debtors	9	368,396	82,592
Cash at bank		393,642	733,239
		<u>762,038</u>	<u>815,831</u>
Creditors: amounts falling due within one year	10	225,786	480,388
Net current assets		<u>536,252</u>	<u>335,443</u>
Total assets less current liabilities		<u>831,730</u>	<u>645,126</u>

The Balance sheet continues on the following page.
The accompanying notes form part of these financial statements.

	Note	2002 £	2001 £
Capital and reserves			
Called-up equity share capital	14	100	100
Profit and Loss Account	15	831,630	645,026
Shareholders' funds		<u>831,730</u>	<u>645,126</u>

The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

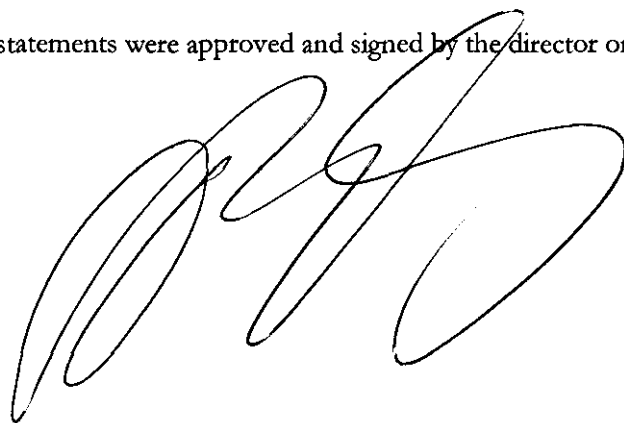
The director acknowledges his responsibility for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) 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 or 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 financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved and signed by the director on 16 July 2003

D R Bailey



Notes to the financial statements

1 Geographical turnover

Turnover attributable to geographical markets outside the United Kingdom amounted to 11% (2001: 44%).

2 Other operating income and charges

	2002	2001
	£	£
Administrative expenses	<u>306,874</u>	<u>590,830</u>

3 Operating profit

Operating profit is stated after charging:

	2002	2001
	£	£
Depreciation	<u>40,871</u>	<u>34,302</u>

4 Director

Remuneration in respect of director was as follows:

	2002	2001
	£	£
Emoluments	96,008	345,301
Value of company pension contributions to money purchase schemes	7,200	—
	<u>103,208</u>	<u>345,301</u>

5 Income from shares in group undertakings

	2002	2001
	£	£
Dividends received from subsidiary undertakings	<u>—</u>	<u>45,707</u>

6 Tax on profit on ordinary activities

Taxation

	2002 £	2001 £
Current tax:		
UK Corporation tax based on the results for the year	57,409	30,634
Over/under provision in prior year	(74)	—
Total current tax	<u>57,335</u>	<u>30,634</u>

7 Tangible fixed assets

	Freehold Property £	Photographic equipment £	Fixtures and Fittings £	Motor Vehicles £	Total £
Cost					
At 1 November 2001	241,583	290,303	164,056	178,896	874,838
Additions	—	7,317	6,075	18,217	31,609
Disposals	—	—	—	(20,833)	(20,833)
At 31 October 2002	<u>241,583</u>	<u>297,620</u>	<u>170,131</u>	<u>176,280</u>	<u>885,614</u>
Depreciation					
At 1 November 2001	78,050	229,185	147,619	110,302	565,156
Charge for the year	4,409	13,670	4,505	18,287	40,871
On disposals	—	—	—	(15,890)	(15,890)
At 31 October 2002	<u>82,459</u>	<u>242,855</u>	<u>152,124</u>	<u>112,699</u>	<u>590,137</u>
Net book value					
At 31 October 2002	<u>159,124</u>	<u>54,765</u>	<u>18,007</u>	<u>63,581</u>	<u>295,477</u>
At 31 October 2001	<u>163,533</u>	<u>61,118</u>	<u>16,437</u>	<u>68,594</u>	<u>309,682</u>

8 Investments

	Investments £
Cost	
At 1 November 2001 and 31 October 2002	<u>1</u>
Net book value	
At 31 October 2002	<u>1</u>
At 31 October 2001	<u>1</u>

At 1 November 2001 and 31 October 2002 the company held 100% of the allotted share capital in David Bailey Productions Limited. This dormant company was incorporated in England and Wales. The company has share capital of £1 and reserves of £nil.

9 Debtors

	2002	2001
	£	£
Trade debtors	205,772	57,556
Other debtors	101,454	4,726
Prepayments and accrued income	61,170	20,310
	<u>368,396</u>	<u>82,592</u>

10 Creditors: amounts falling due within one year

	2002	2001
	£	£
Trade creditors	33,642	42,194
Amounts owed to group undertakings	1	1
Corporation tax	57,409	29,750
Other taxes and social security	18,434	81,305
Directors current accounts	47,675	107,187
Other creditors	8,458	3,118
Accruals and deferred income	60,167	216,833
	<u>225,786</u>	<u>480,388</u>

11 Pensions

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

12 Contingent liabilities

There were no contingent liabilities at 31 October 2002 or 31 October 2001.

13 Related party transactions

The company owed £1 to its subsidiary at 31 October 2002 (2001: £1).

14 Share capital

Authorised share capital:

	2002	2001
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2002	2001
	£	£
Ordinary share capital	<u>100</u>	<u>100</u>

15 Profit and loss account

	2002	2001
	£	£
Balance brought forward	645,026	553,276
Retained profit for the financial year	<u>186,604</u>	<u>91,750</u>
Balance carried forward	<u>831,630</u>	<u>645,026</u>

16 Capital commitments

The director has confirmed that there were no capital commitments at 31 October 2002.