REG

KEELEY HIRE (FILM AND TELEVISION) LIMITED

Directors:	E M O'Doherty (Chairman) Mrs M O'Doherty T M O'Doherty Mrs G M Borroff
Secretary:	Mrs A B Sawyer
Registered Office:	Parker House 104a Hutton Road Shenfield Essex CM15 8NE
Company Registration Number:	1179321
Auditors:	Ansons Chartered Accountants Parker House 104a Hutton Road Shenfield Essex CM15 8NE
Bankers:	Barclays Bank PLC Hertford Business Centre

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KEELEY HIRE (FILM AND TELEVISION) LIMITED

DIRECTORS' REPORT

Accounts
The directors present their report and audited accounts for the year ended 31st July 2001.

Activities
The principal activities of the company, which have remained unchanged during the year, were as providers of props to the film and television industry.

Business Review
The directors consider the results for the year to be satisfactory.

Post Balance Sheet Events
There are no significant events having an effect on the financial position of the company which have taken place since the balance sheet date.

Future Developments
The directors intend to continue the development of the business in the coming year.

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

Results
The results for the year are set out on page 5.

Fixed Assets
Changes in fixed assets are shown in the notes to the accounts.

Taxation Status
The company is a close company within the provisions of the Income and Corporation Taxes Act 1988.

Directors and Shareholdings
The directors who served during the year together with their shareholdings at both 31st July 2001 and 2000 were:-

	Ordinary Shares	Preference Shares
Mrs M O'Doherty	-	-
T M O'Doherty	1,500	1,000
Mrs G M Borroff	1,500	1,000
E M O'Doherty	1,500	1,000

DIRECTORS' REPORT - CONTINUED

Responsibilities of the Directors
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 these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;

- make judgements and estimates which 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 to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps to prevent fraud and other irregularities.

Auditors
In accordance with Section 385(1) of the Companies Act 1985 as amended by Section 119(1) of the Companies Act 1989, a resolution proposing the re-appointment of Ansons, Chartered Accountants as Auditors will be put to the Annual General Meeting.

This report was approved on 22nd March 2002.



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E M O'Doherty - Chairman

AUDITORS' REPORT

TO THE SHAREHOLDERS OF KEELEY HIRE (FILM AND TELEVISION) LIMITED

We have audited the financial statements on pages 5 to 11 which have been prepared under the Accounting Policies laid out on page 7.

Respective responsibilities of the 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 on those statements, based on our audit, and to report our opinion to you.

Basis of opinion
We have conducted our audit in accordance with auditing standards. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in 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 mis-statement, 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 financial statements give a true and fair view of the state of the company's affairs at 31st July 2001 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Parker House
104a Hutton Road
Shenfield
Essex CM15 8NE

22nd March 2002



ANSONS
CHARTERED ACCOUNTANTS
AND REGISTERED AUDITORS

KEELEY HIRE (FILM AND TELEVISION) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST JULY 2001

	Notes	2001	2000
		£	£
Turnover	1	638,328	442,569
Cost of Sales		(216,137)	(134,009)
Gross Profit		422,191	308,560
Interest Receivable and Similar Income	2	2,681	9
Interest Payable and Similar Charges	2	(47,549)	(44,027)
Administrative Expenses		(335,449)	(234,757)
Net Profit on Ordinary Activities Before Taxation	2	41,874	29,785
Taxation	4	(6,999)	256
Net Profit on Ordinary Activities After Taxation	11	34,875	30,041

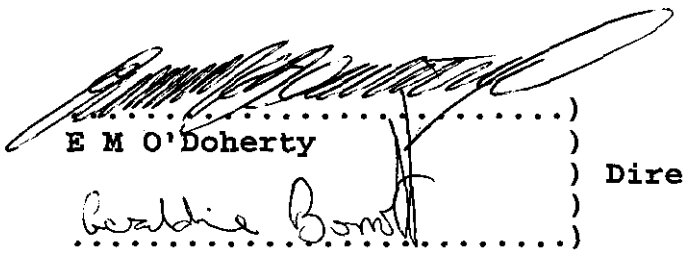
There are no recognised gains or losses other than those passing through the profit and loss account.

KEELEY HIRE (FILM AND TELEVISION) LIMITED

BALANCE SHEET AS AT 31ST JULY 2001

	Notes	2001 £	2001 £	2000 £	2000 £
Fixed Assets					
Tangible Assets	1&5		1,775,600		1,681,702
Current Assets					
Debtors	6	10,222		47,101	
Petty Cash		1,362		106	
Cash at Bank		17		90,509	
		11,601		137,716	
Creditors (Amounts falling due within one year)	7	(196,327)		(302,108)	
Net Current (Liabilities)			(184,726)		(164,392)
Total Assets Less Current Liabilities			1,590,874		1,517,310
Creditors (Amounts falling due after one year)	8		(437,642)		(398,953)
Net Assets			1,153,232		1,118,357
Financed By:					
Capital and Reserves					
Share Capital	10		10,000		10,000
Revaluation Reserve			447,768		447,768
Profit & Loss Account	11		695,464		660,589
			1,153,232		1,118,357

Signed on Behalf of the Board



.....)
E M O'Doherty)
) **Directors**
.....)
Mrs G M Borroff

These accounts were approved by the directors on 22nd March 2002.

KEELEY HIRE (FILM AND TELEVISION) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST JULY 2001

1. **Accounting Policies**
The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Company's accounts -

a) **Accounting Convention**
These accounts are prepared under the Historical Cost Convention.

b) **Turnover**
Turnover represents amounts invoiced by the company in respect of goods sold and services rendered during the year and excludes Value Added Tax.

The turnover and results of the company for the year derives from the same class of business as noted in the Directors' report. The turnover arises entirely in the United Kingdom.

c) **Fixed Assets and Depreciation**
Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over the expected useful life as follows:-

Plant & Machinery	- 20% on reducing balance basis
Furniture & Fixtures & Equipment	- 20% on reducing balance basis
Motor Vehicles	- 25% on reducing balance basis
Props	- 5% on reducing balance basis

Freehold Land and Buildings are not depreciated.

d) **Leases**
Assets held under finance leases or hire purchase agreements and the related obligations are recorded in the balance sheet at the fair value of the assets at the inception of the agreements. The excess of the payments over the recorded obligations are treated as finance charges which are amortised over the term of each agreement to give a constant rate of charge on the remaining balance of the obligations.

Rental costs under operating leases are charged to the profit and loss account in equal annual instalments over the periods of the leases.

e) **Deferred Taxation**
Deferred Taxation is calculated on the liability method. It is provided to the extent that it is considered with reasonable possibility, that a liability will become payable within the foreseeable future.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST JULY 2001
- CONTINUED -

1. **Accounting Policies**

f) **Pensions**
The company operates a defined contribution scheme covering the majority of its permanent employees. Pension costs charged against profits represent the amounts payable to the scheme in respect of the year.

g) **Foreign Currencies**
Assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rates ruling at the date of the transactions. All differences are taken to the profit and loss account.

2. **Operating Profit Before Taxation**	2001	2000
Operating Profit is after Charging -	£	£
Directors' Remuneration	110,055	68,564
Directors' Pension Contributions	5,398	5,333
Auditors Remuneration	3,400	5,000
Depreciation	48,118	44,057
Interest Receivable & Similar Income		
Bank Interest Received - Gross	1,681	9
Rent Receivable	1,000	-
	2,681	9
Interest Payable and Similar Charges		
Bank Loans repayable within 5 years	9,113	9,278
Bank Loans repayable after more than 5 years	29,561	28,757
Finance charges on finance leases and hire purchase obligations	8,690	5,992
	47,364	44,027
Directors' Emoluments		
Directors' Remuneration	110,055	68,564
Directors' Pension Contributions	5,398	5,333
Benefits in Kind	16,615	8,269
3. **Staff Costs**		
Wages & Salaries (Including Directors)	205,747	149,962
Social Security Costs	22,244	13,992
Pension Contributions	5,398	5,333
	233,389	169,287
Average number of employees during the year was	12	12

4. Taxation	2001 £	2000 £
Corporation Tax at the rate of 20% based on results for the year	(7,000)	-
Overprovision in previous year	1	256
	(6,999)	256

5. Tangible Fixed Assets

	Freehold Land & Buildings £	Props £	Motor Vehicles £	Furniture Fittings & Plant £	Total £
Cost					
At 1/8/00	1,000,000	1,090,383	76,965	168,731	2,336,079
Additions	130,000	8,167	3,750	100	142,017
At 31/7/01	1,130,000	1,098,550	80,715	168,831	2,478,096
Depreciation					
At 1/8/00	-	494,991	21,405	137,982	654,378
For year	-	29,365	13,135	5,618	48,118
At 31/7/01	-	524,356	34,540	143,600	702,496
Net Book Value					
At 31/7/01	1,130,000	574,194	46,175	25,231	1,775,600
At 31/7/00	1,000,000	595,392	55,561	30,749	1,681,702

Finance Leases
At 31st July 2001 the net book value of assets held under finance leases and hire purchase contracts was £129,960 (2000 - £141,960).

		2001	2000
6.	**Debtors**	£	£
	Trade Debtors	9,830	31,122
	Prepayments	392	15,979
		10,222	47,101

7.	**Creditors (Amounts falling due within one year)**		
	Trade Creditors	2,394	17,106
	Loans Other than from Banks	61	77
	Accruals and Deferred Income	37,073	11,397
	Bank Loan and Overdraft (Secured)	56,392	150,531
	Other Taxes and Social Security	29,507	42,673
	Proposed Dividend	4,200	4,200
	Directors' Current Accounts	493	23,804
	Directors Remuneration Payable	33,000	22,000
	Obligations under finance leases and hire purchase contracts	26,207	30,320
	Corporation Tax Payable	7,000	-
		196,327	302,108

Obligations under finance leases and hire purchase contracts are secured on the related assets.

8.	**Creditors (Amounts falling due after more than one year)**		
	Bank Loans	358,067	286,084
	Pension Fund Loan	36,250	36,250
	Obligations under finance leases and hire purchase contracts	43,325	76,619
		437,642	398,953

The bank loans which total £140,362 are repayable in monthly instalments. The rate of interest on the loan is 2.75% over base rate for the first 3 years. The loan is secured by a fixed charge on the Freehold Property and by a floating charge over the other assets and undertakings of the company.

9. Deferred Taxation

	Full Potential Liability 2001 £	Provision Made 2001 £	Full Potential Liability 2000 £	Provision Made 2000 £
Accelerated Capital Allowances	80,225	-	77,850	-

No provision has been made for the potential deferred tax liability in respect of accelerated capital allowances because, in the opinion of the Directors, this liability is unlikely to become payable within the foreseeable future.

10. Share Capital

	2001 £	2000 £
Authorised		
6,000 Ordinary Shares of £1 each	6,000	6,000
4,000 7% Preference Shares of £1 each	4,000	4,000
	10,000	10,000
Issued, Called Up and Fully Paid		
6,000 Ordinary Shares of £1 each	6,000	6,000
4,000 7% Preference Shares of £1 each	4,000	4,000
	10,000	10,000

11. Profit and Loss Account

Balance Brought Forward	660,589	630,548
Profit for the year after Taxation	34,875	30,041
Balance Carried Forward	695,464	660,589
Revaluation Reserve		
Balance Brought and Carried Forward	447,768	447,768