

Keeley Hire (Film and Television) Limited**Directors:**

E M O'Doherty (Chairman)
Miss M G 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



Keeley Hire (Film and Television) Limited

Directors' Report

Accounts

The directors present their report and audited accounts for the year ended 31st July 2002.

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 2002 and 2001 were:-

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

Keeley Hire (Film and Television) Limited

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:

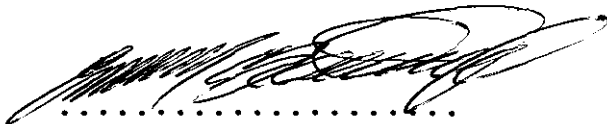
- select suitable accounting policies and apply them consistently;
- make judgements and estimates which are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 15th May 2003.



.....
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 2002 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

15th May 2003



Ansons
Chartered Accountants
and Registered Auditors

Keeley Hire (Film and Television) Limited

Profit and Loss Account for the Year Ended 31st July 2002

	<u>Notes</u>	<u>2002</u>	<u>2001</u>
		£	£
Turnover	1	413,589	638,328
Cost of Sales		(117,544)	(216,137)
Gross Profit		296,045	422,191
Interest Receivable and Similar Income	2	6,017	2,681
Interest Payable and Similar Charges	2	(48,118)	(47,549)
Administrative Expenses		(237,653)	(335,449)
Net Profit on Ordinary Activities Before Taxation	2	16,291	41,874
Taxation	4	-	(6,999)
Net Profit on Ordinary Activities After Taxation	11	16,291	34,875

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 2002

	<u>Notes</u>	<u>2002</u>	<u>2001</u>
		£	£
Fixed Assets			
Tangible Assets	1&5	1,795,547	1,775,600
Current Assets			
Debtors	6	35,765	10,222
Petty Cash		-	1,362
Cash at Bank		9,077	17
		<u>44,842</u>	<u>11,601</u>
Creditors			
(Amounts falling due within one year)	7	<u>(259,928)</u>	<u>(196,327)</u>
Net Current (Liabilities)		<u>(215,086)</u>	<u>(184,726)</u>
Total Assets Less Current Liabilities		<u>1,580,461</u>	<u>1,590,874</u>
Creditors			
(Amounts falling due after one year)	8	<u>(410,938)</u>	<u>(437,642)</u>
Net Assets		<u><u>1,169,523</u></u>	<u><u>1,153,232</u></u>
Financed By:			
Capital and Reserves			
Share Capital	10	10,000	10,000
Revaluation Reserve	11	447,768	447,768
Profit & Loss Account	11	711,755	695,464
		<u><u>1,169,523</u></u>	<u><u>1,153,232</u></u>

Signed on Behalf of the Board

.....)
E M O'Doherty)

) Directors

.....)
Geraldine Borroff)
Mrs G M Borroff

These accounts were approved by the directors on 15th May 2003.

Keeley Hire (Film and Television) Limited

Notes to the Accounts for the Year Ended 31st July 2002

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 (as modified by the revaluation of Freehold Premises).

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.

Keeley Hire (Film and Television) Limited

Notes to the Accounts for the Year Ended 31st July 2002
- 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	2002	2001
	Operating Profit is after Charging -	£	£
	Directors' Remuneration	56,280	110,055
	Directors' Pension Contributions	5,467	5,398
	Auditors Remuneration	3,500	3,400
	Depreciation	43,770	48,118
		<u> </u>	<u> </u>
	Interest Receivable & Similar Income		
	Bank Interest Received - Gross	17	1,681
	Rent Receivable	6,000	1,000
		<u> </u>	<u> </u>
		6,017	2,681
		<u> </u>	<u> </u>
	Interest Payable and Similar Charges		
	Bank Loans repayable within 5 years	9,084	9,113
	Bank Loans repayable after more than 5 years	29,091	29,561
	Finance charges on finance leases and hire purchase obligations	9,943	8,875
		<u> </u>	<u> </u>
		48,118	47,549
		<u> </u>	<u> </u>
	Directors' Emoluments		
	Directors' Remuneration	56,280	110,055
	Directors' Pension Contributions	5,467	5,398
	Benefits in Kind	23,576	16,615
		<u> </u>	<u> </u>
3.	Staff Costs		
	Wages & Salaries (Including Directors)	130,291	205,747
	Social Security Costs	14,967	22,244
	Pension Contributions	5,467	5,398
		<u> </u>	<u> </u>
		150,725	233,389
		<u> </u>	<u> </u>
	Average number of employees during the year was	11	12
		<u> </u>	<u> </u>

Keeley Hire (Film and Television) Limited

Notes to the Accounts for the Year Ended 31st July 2002
- Continued -

	<u>2002</u>	<u>2001</u>
	£	£
4. Taxation		
Corporation Tax at the rate of 20% based on results for the year	-	(7,000)
Overprovision in previous year	-	1
	<u>-</u>	<u>(6,999)</u>

The directors do not anticipate that a liability for Corporation tax will arise in respect of these accounts.

5. Tangible Fixed Assets

	Freehold Land & Buildings	Props	Motor Vehicles	Furniture Fittings & Plant	Total
Cost or valuation	£	£	£	£	£
At 1/8/01	1,130,000	1,098,550	80,715	168,831	2,478,096
Additions	-	63,717	-	-	63,717
	<u>1,130,000</u>	<u>1,162,267</u>	<u>80,715</u>	<u>168,831</u>	<u>2,541,813</u>
Depreciation					
At 1/8/01	-	524,356	34,540	143,600	702,496
For year	-	26,796	11,928	5,046	43,770
	<u>-</u>	<u>551,152</u>	<u>46,468</u>	<u>148,646</u>	<u>746,266</u>
Net Book Value					
At 31/7/02	<u>1,130,000</u>	<u>611,115</u>	<u>34,247</u>	<u>20,185</u>	<u>1,795,547</u>
At 31/7/01	<u>1,130,000</u>	<u>574,194</u>	<u>46,175</u>	<u>25,231</u>	<u>1,775,600</u>

Freehold Land & Buildings

The Freehold Premises was valued at £1,000,000 by Glennys, Chartered Surveyors, on 28th July 2000. This value has been included in the accounts by the creation of a revaluation reserve of £447,768 as shown in note 11. The Freehold House bought in the year ended 31st July 2001 has been included at cost of £130,000.

Finance Leases

At 31st July 2002 the net book value of assets held under finance leases and hire purchase contracts was £129,137 (2001 - £129,960).

Keeley Hire (Film and Television) Limited

Notes to the Accounts for the Year Ended 31st July 2002
- Continued -

	<u>2002</u>	<u>2001</u>
	£	£
6. Debtors		
Trade Debtors	18,000	9,830
Prepayments	17,765	392
	<u>35,765</u>	<u>10,222</u>
7. Creditors (Amounts falling due within one year)		
Trade Creditors	74,708	2,396
Loans Other than from Banks	5,845	61
Accruals & Deferred Income	8,571	37,071
Bank Loan & Overdraft (Secured)	53,410	56,392
Other Taxes & Social Security	20,204	29,507
Proposed Dividend	4,200	4,200
Directors' Current Accounts	71,159	493
Directors Remuneration Payable	-	33,000
Obligations under finance leases & hire purchase contracts	21,435	26,207
Corporation Tax Payable	396	7,000
	<u>259,928</u>	<u>196,327</u>

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	331,256	358,067
Pension Fund Loan	36,250	36,250
Obligations under finance leases & hire purchase contracts	43,432	43,325
	<u>410,938</u>	<u>437,642</u>

The bank loans which total £384,666 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.

Keeley Hire (Film and Television) Limited

Notes to the Accounts for the Year Ended 31st July 2002
- Continued -

9. Deferred Taxation

	Full Potential Liability 2002 £	Provision Made 2002 £	Full Potential Liability 2001 £	Provision Made 2001 £
Accelerated Capital Allowances	80,225	-	80,225	-

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

	<u>2002</u> £	<u>2001</u> £
Authorised		
6,000 Ordinary Shares of £1 each	6,000	6,000
4,000 7% Preference Shares of £1 each	4,000	4,000
	<u>10,000</u>	<u>10,000</u>
 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
	<u>10,000</u>	<u>10,000</u>

11. Profit and Loss Account

Balance Brought Forward	695,464	660,589
Profit for the year after Taxation	16,291	34,875
Balance Carried Forward	<u>711,755</u>	<u>695,464</u>
 Revaluation Reserve		
Balance Brought and Carried Forward	<u>447,768</u>	<u>447,768</u>