

REGISTRAR'S COPY

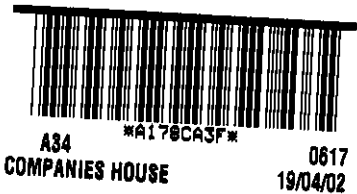
COMPANY NUMBER 2278607

Howard Eaton Lighting Limited

Report and Financial Statements

Year Ended

31 March 2001



BDO

BDO Stoy Hayward
Chartered Accountants

Howard Eaton Lighting Limited

Annual report and financial statements for the year ended 31 March 2001

Contents

Page:

2	Report of the directors
4	Report of the independent auditors
6	Profit and loss account
7	Balance sheet
8	Notes forming part of the financial statements

Directors

H Eaton
A Jacobi
S M Huffington
L E Eaton

Secretary and registered office

L E Eaton, Northside House, 69 Tweedy Road, Bromley, Kent BR1 3WA

Company number

2278607

Auditors

BDO Stoy Hayward, Northside House, 69 Tweedy Road Bromley, Kent, BR1 3WA

Howard Eaton Lighting Limited

Report of the directors for the year ended 31 March 2001

The directors present their report together with the audited financial statements for the year ended 31 March 2001.

Results

The profit and loss account is set out on page 6 and shows the profit for the year.

Principal activities

The principal activities of the company are the provision of theatrical lighting design and installation services.

Directors

The directors of the company during the year and their interests in the ordinary share capital of the company were:

	Ordinary shares of £1 each	
	31 March 2001	1 April 2000
H Eaton	99	99
A Jacobi	-	-
S M Huffington	-	-
L E Eaton	1	1

Directors' responsibilities

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 year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- 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 and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

Howard Eaton Lighting Limited

Report of the directors for the year ended 31 March 2001 (*Continued*)

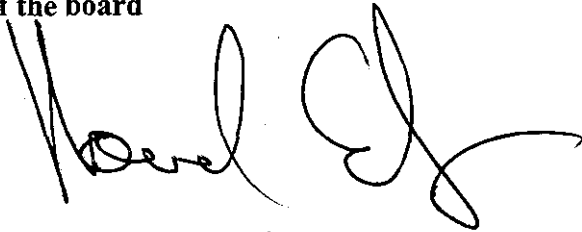
This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board

H Eaton

Director

Date

A handwritten signature in black ink, appearing to be 'H Eaton', written over the printed name.

19/3/02

Howard Eaton Lighting Limited

Report of the independent auditors

To the shareholders of Howard Eaton Lighting Limited

We have audited the financial statements of Howard Eaton Lighting Limited for the year ended 31 March 2001 on pages 6 to 13 which have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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.

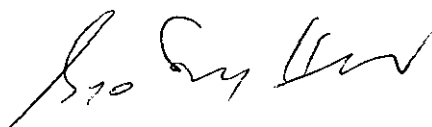
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Howard Eaton Lighting Limited

Report of the independent auditors (*Continued*)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



BDO STOY HAYWARD
Chartered Accountants
and Registered Auditors
Bromley

Date 8.4.02

Howard Eaton Lighting Limited**Profit and loss account for the year ended 31 March 2001**

	Note	2001 £	2000 £
Turnover	2	1,122,142	914,250
Cost of sales		962,208	720,130
Gross profit		159,934	194,120
Distribution costs		12,756	12,617
Administrative expenses		133,098	155,487
Operating profit	3	14,080	26,016
Other interest receivable and similar income		5	53
Interest payable and similar charges	4	(5,101)	(5,210)
Profit on ordinary activities before taxation		8,984	20,859
Taxation on profit on ordinary activities	5	1,000	2,770
Profit on ordinary activities after taxation for the year		7,984	18,089
Dividends		25,000	-
(Accumulated loss)/retained profit for the financial year		(17,016)	18,089
Retained profit/(accumulated loss) brought forward		17,205	(884)
Retained profit carried forward		189	17,205

All amounts relate to continuing activities.

All recognised gains and losses in the current and prior year are included in the profit and loss account.

There are no movements in shareholders' funds in the current and prior year apart from the profit for the year.

The notes on pages 8 to 13 form part of these financial statements.

Howard Eaton Lighting Limited

Balance sheet at 31 March 2001

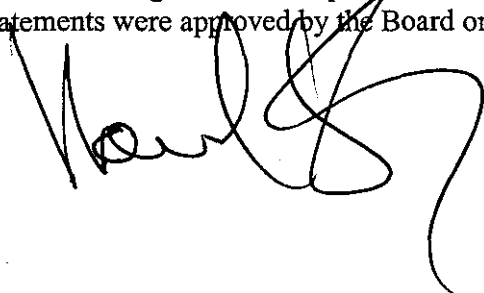
	Note	2001 £	2001 £	2000 £	2000 £
Fixed assets					
Tangible assets	6		14,777		15,986
Current assets					
Stocks		60,822		113,800	
Debtors	7	206,655		114,593	
Cash at bank and in hand		491		486	
		<u>267,968</u>		<u>228,879</u>	
Creditors: amounts falling due within one year	8	<u>274,062</u>		<u>204,387</u>	
Net current (liabilities)/assets			<u>(6,094)</u>		<u>24,492</u>
Total assets less current liabilities			<u>8,683</u>		<u>40,478</u>
Creditors: amounts falling due after more than one year	9		<u>8,394</u>		<u>23,173</u>
			<u>289</u>		<u>17,305</u>
Capital and reserves					
Called up share capital	10		100		100
Profit and loss account			189		17,205
Equity shareholders' funds			<u>289</u>		<u>17,305</u>

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

The financial statements were approved by the Board on

19/3 2002.

Director
H Eaton



The notes on pages 8 to 13 form part of these financial statements.

1 Accounting policies

The financial statements have been prepared under the historical cost convention. The following principal accounting policies have been applied:

Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that it is a 'small' company under the Companies Act 1985.

Turnover

Turnover represents sales to external customers at invoiced amounts less value added tax.

Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all tangible fixed assets, evenly over their expected useful lives. It is calculated at the following rates:

Plant & machinery	- 25% on cost
Motor vehicles	- 25% on cost
Office Equipment	- 25% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

Deferred taxation

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes to the extent that it is probable that a liability or asset will crystallise.

Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor. All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

1 Accounting policies (*continued*)

Pensions

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable.

Work in progress

Work in progress is valued at the lower of cost and net realisable value. It comprises of labour and other associated costs.

2 Turnover

None of the company's turnover is attributable to markets outside the United Kingdom.

3 Operating profit

This is arrived at after charging:

	2001 £	2000 £
Depreciation of tangible fixed assets	10,014	10,961
Directors' emoluments	43,642	40,053
Auditors' remuneration	6,850	6,500
Hire of equipment - operating leases	896	1,286
	<u> </u>	<u> </u>

There was 1 (2000 - 1) director in the company's defined contribution pension scheme during the year.

4 Interest payable and similar charges

	2001 £	2000 £
Finance leases and hire purchase contracts	573	510
Other interest	4,528	4,700
	<u> </u>	<u> </u>
	5,101	5,210
	<u> </u>	<u> </u>

Notes forming part of the financial statements for the year ended 31 March 2001 (Continued)

5 Taxation on profit on ordinary activities

	2001 £	2000 £
<i>UK Corporation tax</i>		
<i>Current year</i>		
Current tax on income for the year	1,000	4,081
<i>Prior years</i>		
UK Corporation tax	-	(1,311)
	<u>1,000</u>	<u>2,770</u>

6 Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Office equipment £	Total £
<i>Cost</i>				
At 1 April 2000	60,279	39,148	40,247	139,674
Additions	1,405	-	7,400	8,805
	<u>61,684</u>	<u>39,148</u>	<u>47,647</u>	<u>148,479</u>
<i>Depreciation</i>				
At 1 April 2000	51,825	33,152	38,711	123,688
Provided for the year	4,775	1,999	3,240	10,014
	<u>56,600</u>	<u>35,151</u>	<u>41,951</u>	<u>133,702</u>
<i>Net book value</i>				
At 31 March 2001	<u>5,084</u>	<u>3,997</u>	<u>5,696</u>	<u>14,777</u>
At 31 March 2000	<u>8,454</u>	<u>5,996</u>	<u>1,536</u>	<u>15,986</u>

The net book value of tangible fixed assets includes an amount of £3,997 (2000 - £3,998) in respect of motor vehicles held under finance leases and hire purchase contracts. The related depreciation charge on these assets for the year was £1,999 (2000 - £1,999).

7 Debtors

	2001 £	2000 £
Trade debtors	193,526	104,353
Other debtors	13,129	10,240
	<u>206,655</u>	<u>114,593</u>

All amounts shown under debtors fall due for payment within one year.

8 Creditors: amounts falling due within one year

	2001 £	2000 £
Bank loans and overdrafts (secured - see note 9)	28,509	20,287
Trade creditors	169,566	122,437
Taxation and social security	31,194	19,969
Obligations under finance lease and hire purchase contracts	2,174	2,173
Other creditors	42,620	39,521
	<u>274,063</u>	<u>204,387</u>

9 Creditors: amounts falling due after more than one year

	2001 £	2000 £
Bank loans (secured)	7,258	19,863
Obligations under finance lease and hire purchase contracts	1,136	3,310
	<u>8,394</u>	<u>23,173</u>

9 Creditors: amounts falling due after more than one year (Continued)

Maturity of debt:

	Finance Leases		Other debt		Total	
	2001 £	2000 £	2001 £	2000 £	2001 £	2000 £
In one year or less, or on demand	2,174	2,173	28,509	20,287	30,683	22,460
In more than one year but not more than two years	1,136	2,173	7,258	15,000	8,394	17,173
In more than two years but not more than five years	-	1,137	-	4,863	-	6,000
	<u>3,310</u>	<u>5,483</u>	<u>35,767</u>	<u>40,150</u>	<u>39,077</u>	<u>45,633</u>

The bank loan and overdraft are secured by a fixed and floating charge over the assets of the company.

10 Share capital

	Authorised		Allotted, called up and fully paid	
	2001 £	2000 £	2001 £	2000 £
<i>Equity share capital</i>				
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>100</u>	<u>100</u>

11 Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge represents contributions payable by the company to the fund and amounted to £29,660 (2000 - £27,192). There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

Howard Eaton Lighting Limited

Notes forming part of the financial statements for the year ended 31 March 2001 (Continued)

12 Commitments under operating leases

As at 31 March 2001, the company had annual commitments under non-cancellable operating leases as set out below:

	2001 Other £	2000 Other £
Operating leases which expire:		
Within one year	-	896
	<u> </u>	<u> </u>

13 Related parties and ultimate controlling party

The ultimate controlling party is H Eaton, a director, who holds 99% of the share capital of the company.