REGISTRAR OF COMPANIES

BSY Limited

Abbreviated Financial Statements

Year Ended

31 December 2003



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COMPANIES HOUSE 28/10/04

BDO

BDO Stoy Hayward
Chartered Accountants

BSY Limited

Abbreviated financial statements for the year ended 31 December 2003

Contents

Page:

1	Report of the independent auditors
2	Balance sheet
3	Notes forming part of the financial statements

Director

P P Laniado

Secretary and registered office

N Laniado, 6th Floor, Walmar House, 228 Regent Street, London, W1B 3AL.

Company number

2845821

Auditors

BDO Stoy Hayward LLP, 8 Baker Street, London, W1U 3LL.

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BSY Limited

Report of the independent auditors

Independent auditors' report to BSY Limited under section 247B of the Companies Act 1985

We have examined the abbreviated financial statements of BSY Limited on pages 2 to 5 together with the financial statements of the company for the year ended 31 December 2003 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of director and auditors

The director is responsible for preparing the abbreviated financial statements in accordance with 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 financial statements prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985 and the abbreviated financial statements on pages 2 to 5 are properly prepared in accordance with those provisions.

BDO Stoy Hayward LLP

BDO STOY HAYWARD LLP
Chartered Accountants
and Registered Auditors
London

21 October 2004

BSY Limited

Balance sheet at 31 December 2003

	Note	2003 £	2003 £	2002 £	2002 £
Fixed assets					
Intangible assets	2		**396,172**		467,152
Tangible assets	3		**1,612**		5,978
			397,784		473,130
Current assets					
Stock		**20,411**		12,812	
Debtors		**47,257**		372,714	
Cash at bank and in hand		**328,448**		15,939	
		396,116		401,465	
Creditors: amounts falling due within one year		**689,473**		770,342	
Net current liabilities			**(293,357)**		(368,877)
			104,427		104,253
Capital and reserves					
Called up share capital	4		**2**		2
Profit and loss account			**104,425**		104,251
Shareholders' funds - equity			**104,427**		104,253

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 21 OCTOBER 2004

P P Laniado
Director

The notes on pages 3 to 5 form part of these financial statements.

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. 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 the directors believe the company is "small" within the definition of the Companies Act 1985.

Goodwill

Goodwill arising on an acquisition of a trade is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. Positive goodwill is capitalised and amortised through the profit and loss account over the directors' estimate of its useful economic life of 10 years. Impairment tests on the carrying value of goodwill are undertaken:

- at the end of the first full financial year following acquisition;
- in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Turnover

Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales.

Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all tangible fixed assets, except for investment properties, freehold land and certain buildings, evenly over their expected useful lives. It is calculated at the following rates:

Plant and machinery - 25% straight line

Stocks

Stocks are valued at the lower of cost and net realisable value.

Deferred taxation

Deferred tax is recognised in respect of all material timing differences that have originated but not reversed by the balance sheet date except for deferred tax assets which are not recognised to the extent that the transfer of economic benefit in future is uncertain. Deferred tax assets and liabilities are not discounted.

1 Accounting policies *(Continued)*

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 over the term of the lease. 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. The interest element of the payment is charged to the profit and loss account over the period of the lease and is calculated so that it represents a constant proportion of the balances of capital repayments outstanding. The capital element 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.

2 Intangible assets

	Purchased goodwill £
Cost	
At 1 January 2003 and at 31 December 2003	**709,667**
Amortisation	
At 1 January 2003	242,515
Provided for the year	70,980
At 31 December 2003	**313,495**
Net book value	
At 31 December 2003	**396,172**
At 31 December 2002	467,152

3 Tangible fixed assets

	Plant and machinery £
Cost	
At 1 January 2003	25,980
Additions	1,662
At 31 December 2003	**27,642**
Depreciation	
At 1 January 2003	20,002
Provided for the year	6,028
At 31 December 2003	**26,030**
Net book value	
At 31 December 2003	**1,612**
At 31 December 2002	5,978

4 Share capital

	Authorised			
	2003 Number	2002 Number	2003 £	2002 £
Ordinary shares of £1 each	**100**	100	**100**	100

	Allotted, called up and fully paid			
	2003 Number	2002 Number	2003 £	2002 £
Ordinary shares of £1 each	**2**	2	**2**	2

5 Ultimate parent company and parent undertaking of larger group

The company is a subsidiary of Regent Academy of Fine Arts Limited which is the immediate and ultimate parent company incorporated in the England.

The largest and smallest group in which the results of the company are consolidated is that headed by Regent Academy of Fine Arts Limited.