

# **Starlight Films Limited**

Report and Accounts

**31 March 1998**

**Registration number 3094436**



**Starlight Films Limited**  
**Directors and Officers**

**DIRECTORS**

Mr C.R Preston

Mr. A.H Martin

Mr S.A Corner (resigned 24th September 1997)

**SECRETARY**

Mr H.S Mighall

**REGISTERED OFFICE**

25 Maddox Street

London

W1R 9LE

**AUDITORS**

Partridge & Co.

Ashton, Studridge Lane

Speen, Buckinghamshire

HP27 0SF.

**BANKERS**

Barclays Bank plc

27 Soho Square

London

W1A 4WA

**Starlight Films Limited**  
**Directors' Report**

The directors present their report and accounts for the year ended 31 March 1998.

**Principal activities and review of the business**

The company's principal activity during the year continued to be that of the promotion and distribution of films, videos and other media products. Many of these activities have now been absorbed within the group

**Results and dividends**

The loss for the year, after taxation, amounted to £4,007. The directors do not recommend a final ordinary dividend.

**Directors and directors' interests**

The directors at the balance sheet date and their interests in the share capital of the company were as follows:

	£1 Ordinary shares	
	1998	1997
Mr C.R Preston	-	-
Mr A.H Martin	-	-
Mr S.A Corner (resigned 24th September 1997)	-	-

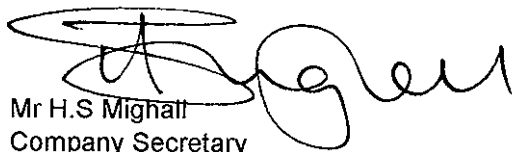
On 23rd December 1996, the entire issued share capital of the company was acquired by Metrodome Group plc, a company incorporated in England & Wales.

The interests of Mr A.H Martin, Mr S.A. Corner and Mr C.R Preston in the shares of the ultimate holding company are shown in that company's accounts.

**Auditors**

A resolution to reappoint Partridge & Co. as auditors will be put to the members at the Annual General Meeting.

This report was approved by the board on 22 March 1999.

  
Mr H.S Mighall  
Company Secretary

**Starlight Films Limited**  
**Statement of Directors' Responsibilities**

Company law requires the directors to prepare accounts 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 for that period. In preparing those accounts, the directors are required to:

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

The directors are responsible for maintaining 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 accounts 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.

**Starlight Films Limited**  
**Auditors' Report**

**Report of the auditors**  
**to the shareholders of Starlight Films Limited**

We have audited the accounts on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

**Respective responsibilities of directors and auditors**

As described on page 3, the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

**Basis of opinion**

We conducted our audit in accordance with 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts 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 accounts 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 accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st March 1998 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



**Partridge & Co.**  
Chartered Certified Accountants  
Registered Auditors

Speen, Princes Risborough, Buckinghamshire.

22 March 1999

**Starlight Films Limited**  
**Profit and Loss Account**  
**for the year ended 31 March 1998**

	<b>Notes</b>	<b>1998 £</b>	<b>1997 £</b>
<b>Turnover</b>	2	1,134	25,188
Cost of sales		(62)	(14,171)
<b>Gross profit</b>		<u>1,072</u>	<u>11,017</u>
Administrative expenses		(5,079)	(6,862)
<b>Operating (loss)/profit</b>	3	<u>(4,007)</u>	<u>4,155</u>
Interest receivable		-	11
Interest payable	6	(1)	(7)
<b>(Loss)/profit on ordinary activities before taxation</b>		<u>(4,008)</u>	<u>4,159</u>
Taxation on ordinary activities	7	1	(1,060)
<b>(Loss)/profit on ordinary activities after taxation</b>		<u>(4,007)</u>	<u>3,099</u>
Dividends:			
ordinary dividend on equity shares	8	-	(5,300)
<b>Retained loss for the year</b>	13	<u>(4,007)</u>	<u>(2,201)</u>

**Continuing operations**

None of the company's activities were acquired or discontinued during the above two financial years.

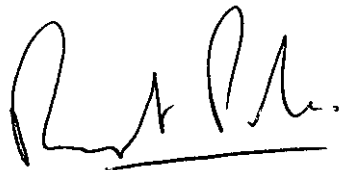
**Statement of total recognised gains and losses**

The company has no recognised gains or losses other than the profit for the above two financial years.

**Starlight Films Limited**  
**Balance Sheet**  
**as at 31 March 1998**

	Notes	1998 £	1997 £
<b>Fixed assets</b>			
Tangible assets	9	425	725
<b>Current assets</b>			
Debtors	10	205	8,627
Cash at bank and in hand		<u>551</u>	<u>98</u>
		756	8,725
<b>Creditors: amounts falling due within one year</b>	11	(6,981)	(11,243)
<b>Net current liabilities</b>		<u>(6,225)</u>	<u>(2,518)</u>
<b>Total assets less current liabilities</b>		<u>(5,800)</u>	<u>(1,793)</u>
		<u>(5,800)</u>	<u>(1,793)</u>
<b>Capital and reserves</b>			
Called up share capital	12	2	2
Profit and loss account	13	(5,802)	(1,795)
<b>Shareholders' funds:</b>			
Equity	14	<u>(5,800)</u>	<u>(1,793)</u>
		<u>(5,800)</u>	<u>(1,793)</u>

Mr C.R Preston  
Director



Approved by the board on 22 March 1999

**Starlight Films Limited**  
**Cash Flow Statement**  
**for the year ended 31 March 1998**

	Notes	1998 £	1997 £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>			
Operating (loss)/profit		(4,007)	4,155
Depreciation charges		300	175
Decrease in debtors		8,422	1,523
Decrease in creditors		(3,197)	(7,996)
<b>Net cash inflow/(outflow) from operating activities</b>		<u>1,518</u>	<u>(2,143)</u>
<b>CASH FLOW STATEMENT</b>			
<b>Net cash inflow/(outflow) from operating activities</b>		1,518	(2,143)
<b>Returns on investments and servicing of finance</b>	15	(1)	4
<b>Taxation</b>		(1,056)	(3,325)
		<u>461</u>	<u>(5,464)</u>
<b>Equity dividends paid</b>		<u>-</u>	<u>(5,300)</u>
		461	(10,764)
<b>Increase/(decrease) in cash</b>		<u>461</u>	<u>(10,764)</u>
<b>Reconciliation of net cash flow to movement in net debt</b>			
<b>Increase/(decrease) in cash in the period</b>		461	(10,764)
<b>Change in net debt</b>	16	<u>461</u>	<u>(10,764)</u>
<b>Net funds at 1 April</b>		90	10,854
<b>Net funds at 31 March</b>		<u>551</u>	<u>90</u>





**Starlight Films Limited**  
**Notes to the Accounts**  
**at 31 March 1998**

<b>6 Interest payable</b>	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	<u>1</u>	<u>7</u>
<b>7 Tax on profit on ordinary activities</b>	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
UK corporation tax at 21%	<u>(1)</u>	<u>1,060</u>
<b>8 Equity dividends</b>	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
Equity dividends on ordinary shares - interim paid	<u>-</u>	<u>5,300</u>
<b>9 Tangible fixed assets</b>		
		<b>Plant and machinery</b>
		<b>£</b>
<b>Cost</b>		
At 1 April 1997		<u>1,200</u>
At 31 March 1998		<u>1,200</u>
<b>Depreciation</b>		
At 1 April 1997		475
Charge for the year		<u>300</u>
At 31 March 1998		<u>775</u>
<b>Net book value</b>		
At 31 March 1998		<u>425</u>
At 31 March 1997		<u>725</u>
<b>10 Debtors</b>	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
Trade debtors	-	8,627
Other debtors	<u>205</u>	<u>-</u>
	<u>205</u>	<u>8,627</u>

**Starlight Films Limited**  
**Notes to the Accounts**  
**at 31 March 1998**

<b>11 Creditors: amounts falling due within one year</b>			<b>1998</b>	<b>1997</b>
			£	£
Bank loans and overdrafts			-	8
Trade creditors			-	1,461
Amounts owed to group undertakings			1,327	-
Corporation tax			-	1,057
Other taxes and social security costs			-	1,175
Other creditors			5,114	4,342
Accruals and deferred income			540	3,200
			<u>6,981</u>	<u>11,243</u>
<b>12 Share capital</b>			<b>1998</b>	<b>1997</b>
			£	£
Authorised:				
Ordinary shares of £1 each			<u>100</u>	<u>100</u>
	<b>1998</b>	<b>1997</b>	<b>1998</b>	<b>1997</b>
	No	No	£	£
Allotted, called up and fully paid:				
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
<b>13 Profit and loss account</b>			<b>1998</b>	<b>1997</b>
			£	£
At 1 April			(1,795)	406
Retained loss			(4,007)	(2,201)
			<u>(5,802)</u>	<u>(1,795)</u>
At 31 March				

**Starlight Films Limited**  
**Notes to the Accounts**  
**at 31 March 1998**

<b>14 Reconciliation of movements in shareholders' funds</b>	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
At 1 April	(1,793)	408
(Loss)/profit for the financial year	(4,007)	3,099
Dividends	-	(5,300)
At 31 March	<u>(5,800)</u>	<u>(1,793)</u>

<b>15 Gross cash flows</b>	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
<b>Returns on investments and servicing of finance</b>		
Interest received	-	11
Interest paid	(1)	(7)
	<u>(1)</u>	<u>4</u>

<b>16 Analysis of changes in net debt</b>	<b>At 1 Apr 1997</b>	<b>Cash flows</b>	<b>Non-cash changes</b>	<b>At 31 Mar 1998</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	98	453		551
Overdrafts	(8)	8		-
		<u>461</u>		
Total	<u>90</u>	<u>461</u>	<u>-</u>	<u>551</u>

**17 Related parties**

The company's ultimate controlling entity is Metrodome Group plc, a company incorporated in the United Kingdom.

**Starlight Films Limited**  
**Profit and Loss Account**  
**for the year ended 31 March 1998**  
*for the information of the directors only*

	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
<b>Sales</b>	1,134	25,188
Cost of sales	(62)	(14,171)
<b>Gross profit</b>	<u>1,072</u>	<u>11,017</u>
Administrative expenses	(5,079)	(6,862)
<b>Operating (loss)/profit</b>	<u>(4,007)</u>	<u>4,155</u>
Interest receivable	-	11
Interest payable	(1)	(7)
<b>(Loss)/profit before tax</b>	<u>(4,008)</u>	<u>4,159</u>

**Starlight Films Limited**  
**Schedule to the Profit and Loss Account**  
**for the year ended 31 March 1998**  
*for the information of the directors only*

	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
<b>Cost of sales</b>		
Travelling and disbursements	1,114	1,019
Promotion and advertising expenses	-	9,413
Revenue shares to producers	(1,052)	3,272
Entertaining	-	467
	<u>62</u>	<u>14,171</u>
<b>Administrative expenses</b>		
Employee costs:		
Wages and salaries	-	2,933
Employer's NI	-	216
	<u>-</u>	<u>3,149</u>
Premises costs:		
Rent	(300)	975
	<u>(300)</u>	<u>975</u>
General administrative expenses:		
Telephone and fax	-	384
Stationery and printing	-	466
Depreciation	300	175
Bad debts	4,132	-
Sundry expenses	243	264
	<u>4,675</u>	<u>1,289</u>
Legal and professional costs:		
Audit fees	420	750
Accountancy fees	220	586
Bank charges	64	113
	<u>704</u>	<u>1,449</u>
	<u>5,079</u>	<u>6,862</u>