

Registration number 2478789

Grand Central Sound Studios Limited

Abbreviated accounts

for the year ended 31 March 2003



Grand Central Sound Studios Limited

Contents

	Page
Auditors' report	1 - 2
Abbreviated balance sheet	3
Notes to the financial statements	4 - 7

**Independent auditors' report to Grand Central Sound Studios Limited
under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages 3 to 7 together with the financial statements of Grand Central Sound Studios Limited for the year ended 31 March 2003 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company's shareholders, as a body, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing abbreviated accounts 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 accounts prepared in accordance with Sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts 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 financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985 in respect of the year ended 31 March 2003, and the abbreviated accounts on pages 3 to 7 are properly prepared in accordance with those provisions.

Other information

On 12 January 2004 we reported as auditors of Grand Central Sound Studios Limited to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 March 2003 and our audit report was as follows:

' We have audited the financial statements of Grand Central Sound Studios Limited for the year ended 31 March 2003 which comprise the profit and loss account, the Balance Sheet, the statement of total recognised gains and losses and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' are responsible for preparing the Annual Report and financial statements in accordance with the applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

**Independent auditors' report to Grand Central Sound Studios Limited
under Section 247B of the Companies Act 1985**

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 other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

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

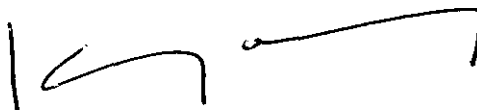
Basis of audit opinion

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.

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 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



King & King
Chartered Accountants and
Registered auditors

Roxburghe House
273/287 Regent Street
London W1B 2HA

12 January 2004

Grand Central Sound Studios Limited

Abbreviated balance sheet as at 31 March 2003

		2003		2002	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	2		2,139,390		2,218,530
Investments	2		9,550		9,550
			<u>2,148,940</u>		<u>2,228,080</u>
Current assets					
Stocks		42,053		16,568	
Debtors		649,628		547,976	
Cash at bank and in hand		17,654		19,785	
		<u>709,335</u>		<u>584,329</u>	
Creditors: amounts falling due within one year	3	(819,846)		(798,656)	
Net current liabilities			<u>(110,511)</u>		<u>(214,327)</u>
Total assets less current liabilities			2,038,429		2,013,753
Creditors: amounts falling due after more than one year	4		(377,709)		(480,722)
Provisions for liabilities and charges			<u>(390,952)</u>		<u>(284,444)</u>
Net assets			<u>1,269,768</u>		<u>1,248,587</u>
Capital and reserves					
Called up share capital	5		156,000		56,100
Profit and loss account			1,113,768		1,192,487
Shareholders' funds			<u>1,269,768</u>		<u>1,248,587</u>

The abbreviated accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies .

The abbreviated accounts were approved by the Board on 9 January 2004 and signed on its behalf by


C.A. Humphrey
Director

The notes on pages 4 to 7 form an integral part of these financial statements.

Grand Central Sound Studios Limited

Notes to the abbreviated financial statements for the year ended 31 March 2003

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Leasehold properties	-	Straight line over the life of the lease
Plant and machinery	-	15% straight line
Fixtures, fittings and equipment	-	20% net book value
Motor vehicles	-	20% net book value
Fixtures & fittings	-	20% net book value

1.4. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5. Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6. Stock

Stock is valued at the lower of cost and net realisable value.

1.7. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

Grand Central Sound Studios Limited

Notes to the abbreviated financial statements for the year ended 31 March 2003

..... continued

1.8. Deferred taxation

The company adopted Financial Reporting Standard 19 "Deferred Taxation" (FRS 19) during the financial year.

Full provision is made for deferred taxation on all timing differences which have arisen but have not reversed at the balance sheet date.

Prior to the adoption of FRS 19, the company provided for deferred taxation only to the extent that timing differences were expected to materialise in the foreseeable future. The adoption of the new policy has been made by way of a prior year adjustment as though the revised policy had always been applied.

1.9. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

2. Fixed assets

	Tangible fixed assets	Investments	Total
	£	£	£
Cost			
At 1 April 2002	4,509,681	9,550	4,519,231
Additions	298,083	-	298,083
At 31 March 2003	<u>4,807,764</u>	<u>9,550</u>	<u>4,817,314</u>
Depreciation and			
At 1 April 2002	2,291,150	-	2,291,150
On disposals	(15,211)	-	(15,211)
Charge for year	392,435	-	392,435
At 31 March 2003	<u>2,668,374</u>	<u>-</u>	<u>2,668,374</u>
Net book values			
At 31 March 2003	<u>2,139,390</u>	<u>9,550</u>	<u>2,148,940</u>
At 31 March 2002	<u>2,218,531</u>	<u>9,550</u>	<u>2,228,081</u>

Grand Central Sound Studios Limited

**Notes to the abbreviated financial statements
for the year ended 31 March 2003**

..... continued

3. Creditors: amounts falling due within one year	2003 £	2002 £
Creditors include the following:		
Secured creditors	<u>(554,915)</u>	<u>(494,931)</u>
4. Creditors: amounts falling due after more than one year	2003 £	2002 £
Creditors include the following:		
Instalments repayable after more than five years	<u>(13,364)</u>	<u>(13,364)</u>
Secured creditors	<u>(364,345)</u>	<u>(467,358)</u>
5. Share capital	2003 £	2002 £
Authorised		
1,000,000 Ordinary shares of £1 each	1,000,000	100
250,000 Redeemable preference shares of £1 each	<u>250,000</u>	<u>250,000</u>
	<u>1,250,000</u>	<u>250,100</u>
Allotted, called up and fully paid		
100,000 Ordinary shares of £1 each	100,000	100
56,000 Redeemable preference shares of £1 each	<u>56,000</u>	<u>56,000</u>
	<u>156,000</u>	<u>56,100</u>

During the year the authorised share capital of the company was increased to £1,000,000 and at the same time a bonus issue of ordinary shares was made from reserves on the basis of 999 new shares for each share previously held.

The redeemable preference shares are not entitled to receive dividends nor share in any distribution of profits or income. They also do not entitle the holders to vote at any General Meeting.

The shares are currently redeemable at the discretion of the company.

Grand Central Sound Studios Limited

**Notes to the abbreviated financial statements
for the year ended 31 March 2003**

..... continued

6. Transactions with directors

The following directors had interest free loans during the year. The movements on these loans are as follows:

	Amount owing		Maximum in year
	2003	2002	
	£	£	£
I.D. Taylor	81,975	40,138	81,975

Included in the accounts is the sum of £81,975 , in respect of an overdrawn directors current account for Mr.I.D.Taylor.The overdrawn loan was reduced by £40,000 in May 2003 and the balance repaid in August 2003.