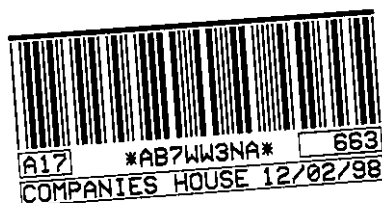


Company number 2051893

Pan Project Limited
(Limited by Guarantee)

Abbreviated Financial Statements
for the year ended 31st March 1997

Breckman & Company
Chartered Accountants
49 South Molton Street
London W1Y 2LH



**Auditors' Report to Pan Project Limited
under Section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements on pages 2 to 4 together with the full financial statements of the company for the year ended 31st March 1997 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing 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 abbreviated financial statements 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 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 4 are properly prepared in accordance with those provisions.

Other information

On 10th December 1997 we reported, as auditors to the members of the company on the financial statements under Section 226 of the Companies Act 1985 and our audit report included the following paragraph:

Going concern

In forming our opinion, we have considered the disclosures made in note 1.1 of the financial statements concerning the continued support of the grant aiding bodies. In view of the significance of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

**Breckman & Company
Registered Auditor
Chartered Accountants**

49 South Molton Street
London W1Y 2LH

10th December 1997

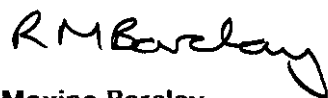


Pan Project Limited
(Limited by Guarantee)
Abbreviated Balance Sheet
31st March 1997

	Notes	1997 £	1996 £
Fixed assets			
Tangible assets	2	1,300	1,523
Current assets			
Debtors		2,495	4,980
Cash at bank and in hand		7,433	-
		<u>9,928</u>	<u>4,980</u>
Creditors: amounts falling due within one year		<u>(10,996)</u>	<u>(11,339)</u>
Net current (liabilities)		<u>(1,068)</u>	<u>(6,359)</u>
Total assets less current liabilities/(deficit)		<u>232</u>	<u>(4,836)</u>
Capital and reserves	3		
Income and expenditure account			
Unrestricted funds		<u>232</u>	<u>(4,836)</u>

The abbreviated 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 of directors on 10th December 1997 and signed on its behalf by



Maxine Barclay
Director



Richard Lee
Director

The notes on pages 3 to 4 form an integral part of these financial statements.

Pan Project Limited

(Limited by Guarantee)

**Notes to the Abbreviated Financial Statements
for the year ended 31st March 1997**

1. Accounting policies

1.1 Basis of preparing the financial statements

The financial statements are prepared under the historical cost convention and in accordance with applicable Accounting Standards and the Statement of Recommended Practice for charities.

The company is dependent on the continued support of the grant aiding bodies. The directors believe that the company will continue to receive this support and accordingly consider that it is appropriate to prepare the financial statements on the going concern basis.

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

1.2 Turnover

Turnover represents the total value of box income/fees and sundry other theatrical income, excluding value added tax.

1.3 Tangible fixed assets and depreciation

Depreciation has been provided at annual rates calculated to write off the cost less residual value of each asset over its expected useful life and has been reasonably computed and consistently applied.

1.4 Leasing

Rentals payable under operating leases are charged to the income and expenditure account on a straight line basis over the lease term.

1.5 Grants/donations/sponsorship receivable

Grants towards capital expenditure are credited to capital funds and are released to the income and expenditure account over the expected useful life of the assets.

Grants/donations/sponsorship in respect of revenue expenditure are credited to the income and expenditure account in the period for which they are given.

1.6 Theatre trading expenses

Theatre trading expenses consist of the production and administration costs of presenting theatrical productions.

Pan Project Limited

(Limited by Guarantee)

**Notes to the Abbreviated Financial Statements
for the year ended 31st March 1997**

2. Fixed assets	Tangible fixed assets £
Cost	
1st April 1996	6, 167
Additions	851
Disposals	(2, 696)
31st March 1997	4, 322
Depreciation	
1st April 1996	4, 644
On disposals	(2, 055)
Charge for year	433
31st March 1997	3, 022
Net book value	
31st March 1997	1, 300
31st March 1996	1, 523

3. Capital and reserves

The company is limited by guarantee and does not have a share capital. Each member gives a guarantee to contribute to a sum, not exceeding £1, to the company should it be wound up. At 31st March 1997 there were 6 members.