

COMPANY NUMBER: 02718821

Limelight Entertainments Ltd

FINANCIAL STATEMENTS

For The Year Ended 30th June 2000



Tuson & Partners Ltd
Alto House
29-30 Newbury Street
London, EC1A 7HZ

Limelight Entertainments Ltd

INDEX

For The Year Ended 30th June 2000

Company Information	1
Director's Report	2-3
Audit Report	4
Profit and Loss Account	5
Balance Sheet	6
Notes to the Financial Statements	7-10
Trading and Profit and Loss Account	11

Limelight Entertainments Ltd

COMPANY INFORMATION **For The Year Ended 30th June 2000**

DIRECTORS:	Mr H Janes Mr R Lewis Mr R Scott-Dodd Mr J M Trotter
SECRETARY:	Mr J M Trotter
REGISTERED OFFICE:	Cheapside House 138 Cheapside London EC2V 6BB
REGISTRATION NUMBER:	02718821 Registered in England
ACCOUNTANTS:	Tuson & Partners Ltd Alto House 29/30 Newbury Street London EC1A 7HU
AUDITORS:	Langmeads Chartered Accountants Registered Auditors 137 Station Road Hampton Middlesex TW12 2AL

Limelight Entertainments Ltd

DIRECTORS REPORT For The Year Ended 30th June 2000

The Directors present their report with the financial statements of the company for the year ended 30 June 2000.

Statement of 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 period. In preparing those financial statements, the directors are required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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 financial statements comply with Section 221 of 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.

Activities & Future Developments

The activity of the company continues to be suppliers of merchandise and other goods to the entertainment business. The company's activities are continuing to increase and the directors are confident that this improvement will continue.

The directors consider the financial state of the company to be in accordance with their expectations.

Results

The results for the year and the state of the company's affairs at 30 June 2000 are shown in the attached financial statements. The directors do not recommend the payment of any Dividend.

Limelight Entertainments Ltd

REPORT OF THE DIRECTORS (Continued) For The Year Ended 30th June 2000

Directors & Their Interest

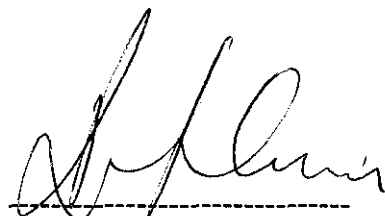
The directors in office in the year and their beneficial interests in the share capital of the company were as follows:

	2000	1999
	<i>Ordinary Shares of £1 Each</i>	
H Janes	30	30
R Lewis	30	30
R Scott-Dodd	15	30
J Trotter	13	5

Auditors

The auditors, Langmeads, will be proposed for reappointment in accordance with Section 385 of the Companies Act 1985.

Approved by the Board on 25 April 2001
And signed on its behalf by:



R LEWIS
Director

Limelight Entertainments Ltd

REPORT OF THE DIRECTORS (Continued) For The Year Ended 30th June 2000

Directors & Their Interest

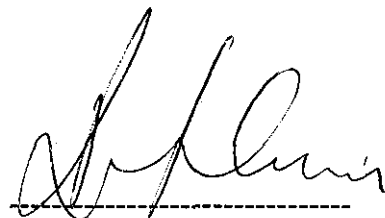
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Approved by the Board on 25 April 2001
And signed on its behalf by:



R LEWIS
Director

AUDITORS' REPORT TO THE SHAREHOLDERS OF

Limelight Entertainments Ltd

We have audited the financial statements on page 5 to 10 which have been prepared following the accounting policies set out on page 7.

Respective Responsibilities of Directors and Auditors

As described on page 2, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements 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 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 30 June 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Langmeads
Chartered Accountants
and Registered Auditors

Hampton, England

Dated: 25 April 2001

Limelight Entertainments Ltd

PROFIT & LOSS ACCOUNT

For The Year Ended 30th June 2000

	Notes	2000 £	1999 £
Turnover	(1)	655,969	530,759
LESS Cost of Sales		459,500	404,252
		-----	-----
Gross Profit/(Loss)		196,469	126,507
Net Operating Expenses		147,520	95,972
		-----	-----
Net Profit Before Interest & Tax		48,949	30,536
Interest Receivable		1,463	1,253
Interest Payable		(3,804)	(4,903)
		-----	-----
Profit/(Loss) on Ordinary Activities Before Taxation	(7)	46,608	26,886
Taxation	(8)	(9,550)	(5,323)
		-----	-----
Profit/(Loss) on Ordinary Activities After Taxation		37,058	21,563
Retained Profit/(Losses) Brought Forward		54,102	32,539
		-----	-----
Retained (Losses)/Profit Carried Forward		91,160	54,102
		=====	=====

The company made no recognised gains or losses in 2000 or 1999 other than the profit for the year as shown above.

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

The accompanying notes form part of these financial statements

Limelight Entertainments Ltd

BALANCE SHEET

As At 30th June 2000

	Note	£	2000 £	£	1999 £
Fixed Assets					
Intangible Assets	(10)		52,667		52,667
Tangible Assets	(9)		13,514		14,604
Investments	(11)		<u>2</u>		<u>2</u>
			66,183		67,273
Current Assets					
Cash at Bank and In hand		86,105		49,691	
Debtors	(4)	30,825		9,726	
Stock	(3)	<u>14,621</u>		<u>21,367</u>	
		131,551		80,784	
Current Liabilities					
Creditors Falling Due Within One Year	(5)	(43,012)		(21,249)	
Net Current Assets/(Liabilities)			<u>88,539</u>		<u>59,535</u>
			154,722		126,808
LESS Creditors Due					
Creditors: Amounts Falling Due After More Than One Year	(6)		(63,462)		(72,606)
Net Assets/(Liabilities)			<u>91,260</u>		<u>54,202</u>
Represented By:					
CAPITAL & RESERVES					
Called Up Share Capital			100		100
Profit & Loss Account			<u>91,160</u>		<u>54,102</u>
			<u>91,260</u>		<u>54,202</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 and with the Financial Reporting Standard for smaller entities.

On behalf of the Board
Director – R Lewis

Approved by the Board on 25 April 2001

Limelight Entertainments Ltd

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 30th June 2000

1) ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities. The principal accounting policies are set out below and remain unchanged from the previous year.

a) Turnover

Turnover is the total amount receivable by the company, excluding value added tax, in the ordinary course of business for goods supplied and services provided.

b) Stocks

Stocks are included in the financial statements at the lower of cost and net realisable value.

c) Deferred Taxation

Provision is made for deferred taxation at current rates in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

d) Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its useful life:

Fixtures and fittings	- 20%	Reducing Balance
Motor vehicles	- 25%	Straight Line
Office equipment	- 20%	Reducing Balance

2) SHARE CAPITAL

	<i>Authorised</i>		<i>Allotted, Called Up and Fully Paid</i>	
	<i>2000</i>	<i>1999</i>	<i>2000</i>	<i>1999</i>
	<i>Nom</i>	<i>Nom</i>	<i>£</i>	<i>£</i>
Ordinary Share of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

3) STOCKS

	<i>2000</i>	<i>1999</i>
	<i>£</i>	<i>£</i>
Goods for Resale	<u>14,621</u>	<u>21,367</u>

Limelight Entertainments Ltd

NOTES TO THE FINANCIAL STATEMENTS (Continued) For The Year Ended 30th June 2000

	2000 £	1999 £
4) DEBTORS		
Trade	25,861	5,008
VAT	214	961
Amount owed from Subsidiary	<u>4,750</u>	<u>3,757</u>
	<u>30,825</u>	<u>9,726</u>
5) CREDITORS: Amounts Falling Due Within One Year		
Corporation Tax	9,500	5,323
Trade Creditors	24,630	10,027
Other Creditors	4,590	1,107
Social Security and Other Taxes	3,492	1,792
Accruals and Deferred Income	<u>800</u>	<u>3,000</u>
	<u>43,012</u>	<u>21,249</u>
6) CREDITORS: Amounts Falling Due After More Than One Year		
Directors Loans	52,951	53,029
The Directors loans are repayable otherwise than by Instalments in more than 5 years		
Directors loan repayable by instalments	<u>10,511</u>	<u>19,577</u>
The loan made by a director is repayable in Instalments over 4 years		
	<u>63,462</u>	<u>72,606</u>

A mortgage debenture dated 15/9/97 incorporating a fixed and floating charge over all current and future assets of the company.

7) PROFIT BEFORE TAXATION

Profit on ordinary activities before taxation is arrived at after taking into account the following charges:-

Auditors' remuneration	800	500
Directors' remuneration	47,083	40,000
Rent of leased premises	<u>9,673</u>	<u>3,746</u>
	<u>57,556</u>	<u>44,246</u>

Limelight Entertainments Ltd

NOTES TO THE FINANCIAL STATEMENTS (Continued) For The Year Ended 30th June 2000

8) TAXATION

Tax charge on the profit on ordinary activities for the year was as follows:

UK Corporation Tax	9,550	5,986
Overprovision Prior Year	(50)	(663)
	9,500	5,323

UK Corporation Tax has been charged at 20% (1999: 20.75%)

9) TANGIBLE/INTANGIBLE FIXED ASSETS

	<i>Office Equipment</i> £	<i>Fixtures & Fittings</i> £	<i>Motor Vehicles</i> £	<i>Total</i> £
Cost 01.07.99	5,931	5,431	10,500	21,862
Additions	<u>3,601</u>	<u>-</u>	<u>-</u>	<u>3,601</u>
At 30.06.00	<u>9,532</u>	<u>5,431</u>	<u>10,500</u>	<u>25,463</u>
Depreciation				
At 01.07.99	1,870	2,763	2,625	7,258
Charge for Year	1,532	534	2,625	4,691
At 30.06.99	<u>3,402</u>	<u>3,297</u>	<u>5,250</u>	<u>11,949</u>
Net Book Value 01.07.99	<u>4,061</u>	<u>2,668</u>	<u>7,875</u>	<u>14,604</u>
Net Book Value 30.06.00	<u>6,130</u>	<u>2,134</u>	<u>5,250</u>	<u>13,514</u>

The intangible assets consist of goodwill.

10) GOODWILL

The goodwill purchased on acquisition of the business is not amortised as in the opinion of the directors the goodwill has an indefinite useful economic life. This is a departure from the specific requirement of companies legislation to amortise goodwill over a finite period.

Limelight Entertainments Ltd

NOTES TO THE FINANCIAL STATEMENTS (Continued) For The Year Ended 30th June 2000

11) INVESTMENT IN SUBSIDIARY UNDERTAKINGS

	2000	1999
At cost	£2	£2

The above investment is unlisted. Additional information on the subsidiaries:

<i>Name</i>	<i>Country of Incorporation Registration & Operation</i>	<i>Class of Shares Shares Held</i>	<i>Percentage of Shares Held</i>	<i>Nature of Business</i>
Ware on Earth Ltd	UK	£1 Ordinary	100%	Organisation of Parties

Since the company, together with its subsidiary is classed as a small group, it is exempt from preparing group accounts.