

COMPANY NUMBER 2718821

LIMELIGHT ENTERTAINMENTS LTD

FINANCIAL STATEMENTS

For the Year Ended 30th June 2002

Coult & Co.,
International Accountant,
Room 4, Foremost House,
Radford Business Centre,
Radford Way,
Billericay,
Essex, CM12 0BT



LIMELIGHT ENTERTAINMENTS LTD

INDEX

For the Year Ended 30th June 2002

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

LIMELIGHT ENTERTAINMENTS LTD

COMPANY INFORMATION

DIRECTORS:

R. Lewis
J. Demsey, Mrs
J. Trotter

SECRETARY:

R.M. Coult

REGISTERED OFFICE:

6 Gainsborough Place
Park Avenue
Hutton, Brentwood
Essex CM13 2RF

LIMELIGHT ENTERTAINMENTS LTD

DIRECTOR'S REPORT

For the Year Ended 30th June 2002

The Directors present their report with the financial statements of the company for the year ended 30th June 2002.

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 making reasonable steps for the prevention and detection of fraud and other irregularities.

ACTIVITIES AND 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 30th June 2002 are shown in the attached financial statements. The directors do not recommend the payment of any dividend.

LIMELIGHT ENTERTAINMENTS LTD

DIRECTOR'S REPORT (continued)

For the Year Ended 30th June 2002

DIRECTORS AND THEIR INTEREST

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

	2002	2001
	Ordinary Shares of £1 Each	
H. Janes	-	30
R. Lewis	45	30
R. Scott-Dodd	-	15
J. Trotter	43	13

Approved by the Board on:

And signed on its behalf by:



R. LEWIS
Director

LIMELIGHT ENTERTAINMENTS LTD

BALANCE SHEET

As at 30th June 2002

	Note	2002		2001	
		£	£	£	£
Fixed Assets					
Intangible Assets	(9)		52,667		52,667
Tangible Assets	(8)		12,035		17,984
Investments	(10)		2		2
			<u>64,704</u>		<u>70,653</u>
Current Assets					
Cash at Bank and In Hand		13,035		-	
Debtors	(4)	37,760		97,552	
Stock	(3)	81,000		30,000	
		<u>131,795</u>		<u>127,552</u>	
Current Liabilities					
Cash in Hand				(4,540)	
Creditors Falling Due Within One Year	(5)	(74,380)		(52,191)	
Net Current Assets (Liabilities)			<u>57,415</u>	<u>(56,731)</u>	<u>70,821</u>
			122,119		141,474
LESS Creditors Due					
Creditors: Amounts Falling Due After More Than One Year	(6)		(22,687)		(46,951)
Net Assets (Liabilities)			<u>99,432</u>		<u>94,523</u>
Represented by:					
CAPITAL & RESERVES					
Called Up Share Capital			100		100
Profit & Loss Account			99,332		94,423
			<u>99,432</u>		<u>94,523</u>

LIMELIGHT ENTERTAINMENTS LTD

BALANCE SHEET (Continued)

As at 30th June 2002

In preparing these financial statements, the directors have:-

- (i) taken advantage of the Companies Act 1985 in not having these accounts audited under Section 249A(2) [total exemption];
- (ii) confirmed that no notice has been deposited under Section 249B(2) of the Companies Act 1985;
- (iii) acknowledged their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985;
- (iv) acknowledged their responsibilities for preparing accounts which give a true and fair view of the company and of its profit for the year then ended in accordance with the requirements of this Act relating to accounts, so far as applicable to this company;
- (v) the accounts are prepared in accordance with the special provisions of Part VII of the Companies Act relating to small companies [Section 246(8)] of the Act.

Approved by the Board of Directors and signed on its behalf.

Director 

Dated 23.12.02

The notes form part of these financial statements.

LIMELIGHT ENTERTAINMENTS LTD

PROFIT AND LOSS ACCOUNT

For the Year Ended 30th June 2002

	Notes	2002 £	2001 £
Turnover	(1)	804,557	959,792
Less: Cost of Sales		520,520	714,219
Gross Profit/(Loss)		284,037	245,573
Net Operating Expenses		279,128	236,392
Net Profit Before Interest & Tax		4,909	9,181
Interest Receivable		-	-
Interest Payable		-	(5,304)
Profit/(Loss) on Ordinary Activities Before Taxation		4,909	3,877
Taxation		-	614
Profit/(Loss) on Ordinary Activities After Taxation		4,909	3,263
Retained Profit/(Loss) Brought Forward		94,423	91,160
Retained (Losses)/Profit Carried Forward		99,332	94,423

The company made no recognised gain or losses in 2001 or 2002 other than the loss 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.

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

	Authorised		Allotted Called Up and Fully Paid	
	2002	2001	2002	2001
	nom	nom	£	£
Ordinary Shares of £1 each	100	100	100	100

3. STOCKS

	2002	2001
	£	£
Goods for Resale	81,000	30,000

LIMELIGHT ENTERTAINMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the Year Ended 30th June 2002

	2002	2001
	£	£
4. DEBTORS		
Trade	37,760	91,831
VAT	-	266
Amount Owed From Subsidiary	-	5,455
	<u>37,760</u>	<u>97,552</u>
5. CREDITORS: Amounts Falling Due Within One Year		
Corporation Tax	-	614
Trade Creditors	74,380	51,577
	<u>74,380</u>	<u>52,191</u>
6. CREDITORS: Amounts Falling Due After More Than One Year		
Directors Loans	22,687	46,951
	<u>22,687</u>	<u>46,951</u>
7. TAXATION		
Tax charge on the profit on ordinary activities for the year was as follows:		
UK Corporation Tax	-	-
Overprovision Prior Year	-	-
UK Corporation Tax (2002)	Nil	(2001) 614

LIMELIGHT ENTERTAINMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the Year Ended 30th June 2002

8. TANGIBLE/INTANGIBLE ASSETS

	Office Equipment £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost 01.07.2001	13,356	6,822	20,500	40,678
Additions	1,330	-	-	1,330
	<u>14,686</u>	<u>6,822</u>	<u>20,500</u>	<u>42,008</u>
At 30.06.2002				
Depreciation				
At 01.07.2001	6,072	4,661	11,960	22,693
Depreciation	1,723	432	5,125	7,280
	<u>7,795</u>	<u>5,093</u>	<u>17,085</u>	<u>29,973</u>
At 30.06.2002				
Net Book Value 01.07.2002	<u>6,891</u>	<u>1,729</u>	<u>3,415</u>	<u>12,035</u>
Net Book Value 30.06.2001	<u>7,282</u>	<u>2,161</u>	<u>8,540</u>	<u>17,984</u>

The intangible assets consist of goodwill.

9. 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 2002

10. INVESTMENT IN SUBSIDIARY UNDERTAKINGS

	2001	2002
At cost	£2	£2

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

Name	<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.