

Audioactive Ltd t/a Barely Breaking Even
Records & Club Promotions
Po Box 25896
London N5 1WE
Tel + 44 (0) 207 607 0597
Fax + 44 (0) 207 607 4696
Reg Co : 3212949 VAT - 672406243

Email : leeb@bbemusic.demon.co.uk

www.bbemusic.com

With Compliments

~~Companies~~

End of year accounts 2001-2002

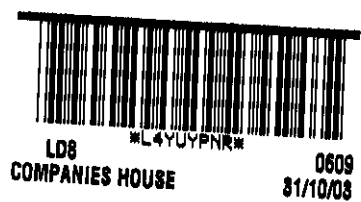


LD8
COMPANIES HOUSE

L4YUZPNS

0608
31/10/03

AUDIOACTIVE LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002



AUDIOACTIVE LIMITED

COMPANY INFORMATION

Director	P Adarkwah
Secretary	L Bright
Company number	3212949
Registered office	4 Ronalds Road Highbury London N5 1XH
Accountants	Bevis & Co 1st Floor 4 South Street Epsom Surrey KT18 7PF

AUDIOACTIVE LIMITED

CONTENTS

	Page
Director's report	1
Profit and loss account	2
Balance sheet	3
Notes to the financial statements	4 - 6

AUDIOACTIVE LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 30 JUNE 2002

The director presents his report and financial statements for the year ended 30 June 2002.

Principal activities

The principal activity of the company in the year under review was in the field of entertainment and popular music.

Directors and their interests in the Company's Shares

The directors in office in the year and their interests in the Company's issued share capital were as follows:

	Ordinary shares of £1 each	
	30 June 2002	1 July 2001
Mr P Adarkwah	5	5

Director's 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 director is required to:

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

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board



P Adarkwah
Director
30th October 2003

AUDIOACTIVE LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2002**

	Notes	2002 £	2001 £
Turnover	2	788,743	1,881,101
Cost of sales		(1,285,188)	(1,822,913)
Gross profit		(496,445)	58,188
Administrative expenses		(140,019)	(115,913)
Operating (loss)	3	(636,464)	(57,725)
Interest receivable		0	4
Interest payable		(1,863)	(2,151)
(Loss) on ordinary activities before taxation		(638,327)	(59,872)
Tax on ordinary activities	4	(452)	0
(Loss) on ordinary activities after taxation		(638,779)	(59,872)
Retained for the year		(638,779)	(59,872)
Balance brought forward		(703)	59,169
Balance carried forward		(639,482)	(703)

AUDIOACTIVE LIMITED

BALANCE SHEET AS AT 30 JUNE 2002

	Notes	2002 £	£	2001 £	£
Fixed assets	5		9,566		1,033
Current assets					
Stocks		25,238		60,476	
Debtors	6	23,725		134,690	
Cash at bank and in hand		1,642		961	
		<u>50,605</u>		<u>196,127</u>	
Creditors: amounts falling due within one year	7	(699,643)		(197,853)	
Net current liabilities			(649,038)		(1,726)
Total assets less current liabilities			<u>(639,472)</u>		<u>(693)</u>
Capital and reserves					
Called up share capital	8		10		10
Profit and loss account			(639,482)		(703)
			<u>(639,472)</u>		<u>(693)</u>

In the director's opinion the company was entitled under section 249A(1) of the Companies Act 1985 to exemption from the audit of its accounts for the year ended 30th June 2002. No member of the company has requested an audit.

The director is responsible for ensuring that the company keeps accounting records which comply with section 221 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of each financial period and of its profit or loss for each period in accordance with requirements of section 226 of the Act and which otherwise comply with its requirements, so far as applicable to the company.

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 (effective June 2002).

The financial statements were approved by the Board on 30th October 2003



P Adarkwah
Director

AUDIOACTIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

1 Accounting policies

1.1 Accounting convention

The financial statements 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 income invoiced during the year, exclusive of Value Added Tax.

1.3 Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery - 25% straight line basis

1.4 Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

2 Turnover

Turnover attributable to geographical markets outside the United Kingdom amounted to 90%.

3 Operating profit/(loss)

	2002	2001
	£	£
Operating loss is stated after charging:		
Directors' emoluments	24,742	22,075
Depreciation	3,303	345
Auditors' remuneration	0	2,000
	<u>28,045</u>	<u>24,420</u>

4 Taxation

	2002	2001
	£	£
U.K. corporation tax at the relevant small companies rate,	0	0
Underprovision in previous years	453	0
	<u>453</u>	<u>0</u>

AUDIOACTIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

5	Tangible fixed assets		
			Plant & Machinery
			£
	Cost		
	At 1 July 2001		5,149
	Additions		11,836
	At 30 June 2002		16,985
	Depreciation		
6	At 1 July 2001		4,116
	Charge for the year		3,303
	At 30 June 2002		7,419
	Net Book Value		
	At 30 June 2002		9,566
	At 30 June 2001		1,033
	Debtors	2002	2001
		£	£
	Trade debtors	13,152	134,690
	VAT	1,975	0
	Other debtors	8,598	0
		23,725	134,690
7			
	Creditors: amounts falling due within one year	2002	2001
		£	£
	Bank loans and overdrafts	28,560	22,221
	Trade creditors	158,529	49,917
	Corporation tax	0	(3,073)
	PAYE and social security	2,303	7,864
	VAT	0	39,995
	Other creditors	15,847	29,089
	Accruals and deferred income	494,404	51,840
		699,643	197,853

The National Westminster Bank plc have a mortgage debenture secured by way of a first fixed and floating charge over the company's assets.

AUDIOACTIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2002

8 Share Capital

Authorised share capital:

	2002	2001
	£	£
1,000 Ordinary shares of £1 each	1,000	1,000

Allotted, called up and fully paid:

	2002	2001
	£	£
Ordinary share capital	10	10

9 Controlling Interest

Mr P Adarkwah and Mr B Jolly control the company by virtue of owning 100% of the issued ordinary share capital.

AUDIOACTIVE LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2002

Company Registration No. 3212949 (England and Wales)

sl