COMPANY REGISTRATION NUMBER 3586821

INSIGHT MOVING IMAGES LTD

FINANCIAL STATEMENTS

FOR

30 JUNE 2007



BAILEY, PAGE & ROPER
Chartered Accountants
Suite 416/419
The Cotton Exchange
Old Hall Street
Liverpool
L3 9LQ

INSIGHT MOVING IMAGES LTD

FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2007

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INSIGHT MOVING IMAGES LTD

THE DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2007

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 30 June 2007

PRINCIPAL ACTIVITIES
The principal activity of the company during the year was the production of videos for marketing, training and associated activities

DIRECTORS
The directors who served the company during the year were as follows

K T Newman
L J Roberts

SMALL COMPANY PROVISIONS
This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

Registered office
336A Woodchurch Road
Prenton
Wirral
CH42 8PQ

Signed by order of the directors

MS LISA J ROBERTS
Company Secretary

Approved by the directors on 6 December 2007

INSIGHT MOVING IMAGES LTD

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 JUNE 2007

	Note	2007 £	2006 £
TURNOVER		**92,681**	108,685
Cost of sales		**14,454**	15,536
GROSS PROFIT		**78,227**	93,149
Distribution costs		**2,104**	1,693
Administrative expenses		**53,567**	55,528
Other operating income		**–**	(5,302)
OPERATING PROFIT	**2**	**22,556**	41,230
Interest receivable and similar income		**404**	463
Interest payable and similar charges		**–**	(1)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		**22,960**	41,692
Tax on profit on ordinary activities	**3**	**4,619**	8,021
PROFIT FOR THE FINANCIAL YEAR		**18,341**	33,671

The notes on pages 4 to 6 form part of these financial statements

INSIGHT MOVING IMAGES LTD

BALANCE SHEET

30 JUNE 2007

	Note	2007 £	£	2006 £
FIXED ASSETS				
Tangible assets	5		17,384	16,560
CURRENT ASSETS				
Stocks		445		579
Debtors	6	18,904		14,025
Cash at bank and in hand		10,660		20,664
		30,009		35,268
CREDITORS: Amounts falling due within one year	7	20,810		20,586
NET CURRENT ASSETS			9,199	14,682
TOTAL ASSETS LESS CURRENT LIABILITIES			26,583	31,242
CAPITAL AND RESERVES				
Called-up equity share capital	9		100	100
Profit and loss account	10		26,483	31,142
SHAREHOLDERS' FUNDS			26,583	31,242

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act

The directors acknowledge their responsibilities for

(i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and

(ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

These financial statements were approved by the directors and authorised for issue on 6 December 2007, and are signed on their behalf by

K T NEWMAN

K T Newman

L J ROBERTS



The notes on pages 4 to 6 form part of these financial statements

INSIGHT MOVING IMAGES LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2007

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion

Fixed assets

All fixed assets are initially recorded at cost

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

Fixtures & Fittings	-	25% straight line
Equipment	-	20% straight line

Stocks

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

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

2. OPERATING PROFIT

Operating profit is stated after charging

	2007	2006
	£	£
Staff pension contributions	240	–
Depreciation of owned fixed assets	6,896	6,310

3. TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the year

	2007 £	2006 £
Current tax		
UK Corporation tax based on the results for the year at 20% (2006 - 19%)	4,619	7,812
Over/under provision in prior year	-	209
Total current tax	4,619	8,021

4. DIVIDENDS

Equity dividends

	2007 £	2006 £
Paid		
Equity dividends on ordinary shares type 1 (code 4075)	23,000	37,300

5. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £	Equipment £	Total £
COST			
At 1 July 2006	4,107	41,592	45,699
Additions	60	7,660	7,720
At 30 June 2007	4,167	49,252	53,419
DEPRECIATION			
At 1 July 2006	3,673	25,466	29,139
Charge for the year	–	6,896	6,896
At 30 June 2007	3,673	32,362	36,035
NET BOOK VALUE			
At 30 June 2007	494	16,890	17,384
At 30 June 2006	434	16,126	16,560

6. DEBTORS

	2007 £	2006 £
Trade debtors	15,920	10,952
Other debtors	1,236	1,056
Prepayments and accrued income	1,748	2,017
	18,904	14,025

7. CREDITORS: Amounts falling due within one year

	2007		2006
	£	£	£
Trade creditors		3,343	176
Other creditors including taxation and social security			
Corporation tax	4,619		7,812
PAYE and social security	725		600
VAT	4,785		2,507
Directors current account - KTN	7,338		9,491
		17,467	20,410
		20,810	20,586

8. RELATED PARTY TRANSACTIONS

The company was under the control of Mr KT Newman and Miss LJ Roberts throughout the current period Mr KT Newman and Miss LJ Roberts are the managing directors and controlling shareholders

9. SHARE CAPITAL

Authorised share capital:

	2007	2006
	£	£
1,000 Ordinary shares of £1 each	1,000	1,000

Allotted, called up and fully paid:

	2007		2006	
	No	£	No	£
Ordinary shares of £1 each	100	100	100	100

10. PROFIT AND LOSS ACCOUNT

	2007	2006
	£	£
Balance brought forward	31,142	34,771
Profit for the financial year	18,341	33,671
Equity dividends	(23,000)	(37,300)
Balance carried forward	26,483	31,142

INSIGHT MOVING IMAGES LTD

MANAGEMENT INFORMATION

YEAR ENDED 30 JUNE 2007

The following pages do not form part of the statutory financial statements

INSIGHT MOVING IMAGES LTD

ACCOUNTANTS' REPORT TO THE DIRECTORS OF INSIGHT MOVING IMAGES LTD

YEAR ENDED 30 JUNE 2007

As described on the balance sheet, the directors of the company are responsible for the preparation of the financial statements for the year ended 30 June 2007, set out on pages 2 to 6

You consider that the company is exempt from an audit under the Companies Act 1985

In accordance with your instructions we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us

BAILEY, PAGE & ROPER
Chartered Accountants

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Liverpool
L3 9LQ

INSIGHT MOVING IMAGES LTD

DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 JUNE 2007

	2007		2006
	£	£	£
TURNOVER		**92,681**	108,685
COST OF SALES			
Opening stock - raw materials	**579**		796
Purchases - general	**88**		–
Purchases - production costs	**671**		445
Purchases - video tapes	**10,559**		12,547
Purchases - voice copy	–		20
Purchases - voice overs	**2,917**		1,192
Purchases - video sleeves	**85**		35
Subcontract	–		1,080
	14,899		16,115
Closing stock - raw materials	**(445)**		(579)
		14,454	15,536
GROSS PROFIT		**78,227**	93,149
OVERHEADS			
Advertising	**2,104**		1,693
Administrative expenses	**53,567**		55,528
		55,671	57,221
		22,556	35,928
OTHER OPERATING INCOME			
Other operating income		–	5,302
OPERATING PROFIT		**22,556**	41,230
Interest receivable and similar income		**404**	463
		22,960	41,693
Bank interest payable		–	(1)
PROFIT ON ORDINARY ACTIVITIES		**22,960**	41,692

INSIGHT MOVING IMAGES LTD

NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 JUNE 2007

	2007 £	£	2006 £
ADMINISTRATIVE EXPENSES			
Personnel costs			
Directors salaries	24,000		24,000
Directors national insurance contributions	2,245		2,691
Staff salaries	–		2,128
Staff pension contributions	240		–
		26,485	28,819
Establishment expenses			
Rent	5,000		4,250
Rates and water	565		506
Light and heat	708		655
Insurance	1,732		2,126
Repairs and maintenance	1,130		787
		9,135	8,324
General expenses			
Motor expenses	2,247		2,205
Travel and subsistence	90		31
Vehicle leasing charges	2,175		2,504
Telephone	1,821		2,179
Printing & Stationery	446		380
Equipment repairs and maintenance	742		851
Postage	337		252
Sundry expenses	193		181
Donations	–		50
Legal and professional fees	15		175
Accountancy fees	2,640		2,480
Depreciation of fixtures and fittings	–		527
Depreciation of office equipment	6,896		5,783
		17,602	17,598
Financial costs			
Bad debts written off	–		536
Bank charges	345		251
		345	787
		53,567	55,528
INTEREST RECEIVABLE AND SIMILAR INCOME			
Bank interest receivable		404	451
Inland Revenue interest received		–	12
		404	463