

**REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2006
FOR
FUN INTERNATIONAL DISTRIBUTORS LTD**



Wellers Accountants
Stuart House
55 Catherine Place
London
SW1E 6DY

FUN INTERNATIONAL DISTRIBUTORS LTD

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for the Year Ended 31 May 2006

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FUN INTERNATIONAL DISTRIBUTORS LTD

COMPANY INFORMATION
for the Year Ended 31 May 2006

DIRECTORS: S A Marks
C J Marks

SECRETARY: S A Marks

REGISTERED OFFICE: Suite 88
176 Finchley Road
London
NW3 6BT

REGISTERED NUMBER: 04450708 (England and Wales)

ACCOUNTANTS: Wellers Accountants
Stuart House
55 Catherine Place
London
SW1E 6DY

FUN INTERNATIONAL DISTRIBUTORS LTD

**REPORT OF THE DIRECTORS
for the Year Ended 31 May 2006**

The directors present their report with the financial statements of the company for the year ended 31 May 2006.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the distribution of retail products and corporate promotional products and consultancy services.

DIRECTORS

The directors during the year under review were:

S A Marks
C J Marks

The beneficial interests of the directors holding office on 31 May 2006 in the issued share capital of the company were as follows:

	31.5.06	1.6.05
Ordinary £1 shares		
S A Marks	100	2
C J Marks	-	-

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

ON BEHALF OF THE BOARD:


.....

S A Marks - Director

Date: 11 JULY 2006

FUN INTERNATIONAL DISTRIBUTORS LTD

PROFIT AND LOSS ACCOUNT
for the Year Ended 31 May 2006

		<u>2006</u>	<u>2005</u>
	Notes	£	£
TURNOVER		6,975	1,252
Cost of sales		<u>-</u>	<u>807</u>
GROSS PROFIT		6,975	445
Administrative expenses		<u>12,266</u>	<u>2,931</u>
OPERATING LOSS	2	(5,291)	(2,486)
Interest receivable and similar income		<u>10</u>	<u>19</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(5,281)	(2,467)
Tax on loss on ordinary activities	3	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		(5,281)	(2,467)
Deficit brought forward		<u>(5,114)</u>	<u>(2,647)</u>
DEFICIT CARRIED FORWARD		<u>£(10,395)</u>	<u>£(5,114)</u>

The notes form part of these financial statements

FUN INTERNATIONAL DISTRIBUTORS LTD

BALANCE SHEET

31 May 2006

		2006		2005	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	4		354		371
CURRENT ASSETS:					
Debtors	5	1,365		46	
Cash at bank		1,278		187	
		<u>2,643</u>		<u>233</u>	
CREDITORS: Amounts falling due within one year	6	<u>13,292</u>		<u>5,716</u>	
NET CURRENT LIABILITIES:			<u>(10,649)</u>		<u>(5,483)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>£(10,295)</u>		<u>£(5,112)</u>
CAPITAL AND RESERVES:					
Called up share capital	7		100		2
Profit and loss account			<u>(10,395)</u>		<u>(5,114)</u>
SHAREHOLDERS' FUNDS:			<u>£(10,295)</u>		<u>£(5,112)</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 May 2006.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2006 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226A and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, 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 January 2005).

ON BEHALF OF THE BOARD:



S A Marks - Director

Approved by the Board on 11 JULY 2006

The notes form part of these financial statements

FUN INTERNATIONAL DISTRIBUTORS LTD

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 May 2006**

1. ACCOUNTING POLICIES

Accounting convention

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

Turnover represents net invoiced sales of services, excluding value added tax.

Tangible fixed assets

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

Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 25% on cost

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

2. OPERATING LOSS

The operating loss is stated after charging:

	2006	2005
	£	£
Depreciation - owned assets	<u>501</u>	<u>346</u>
Directors' emoluments and other benefits etc	<u>4,500</u>	<u>1,500</u>

3. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 May 2006 nor for the year ended 31 May 2005.

FUN INTERNATIONAL DISTRIBUTORS LTD

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 May 2006

4. TANGIBLE FIXED ASSETS

	Fixtures and fittings	Computer equipment	Totals
	£	£	£
COST:			
At 1 June 2005	99	1,326	1,425
Additions	-	484	484
At 31 May 2006	99	1,810	1,909
DEPRECIATION:			
At 1 June 2005	58	996	1,054
Charge for year	10	491	501
At 31 May 2006	68	1,487	1,555
NET BOOK VALUE:			
At 31 May 2006	31	323	354
At 31 May 2005	41	330	371

**5. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2006 £	2005 £
Value added tax	75	46
Trade debtors	1,290	-
	1,365	46

**6. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2006 £	2005 £
Trade creditors	26	46
Directors current accounts	12,866	5,270
Accrued expenses	400	400
	13,292	5,716

FUN INTERNATIONAL DISTRIBUTORS LTD

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 May 2006

7. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	2006 £	2005 £
1,000 (2005 - 2)	Ordinary	£1	1,000	2

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2006 £	2005 £
100 (2005 - 2)	Ordinary	£1	100	2

The following shares were allotted and fully paid for cash at par during the year:

98 Ordinary shares of £1 each

FUN INTERNATIONAL DISTRIBUTORS LTD

**REPORT OF THE ACCOUNTANTS TO THE DIRECTORS OF
FUN INTERNATIONAL DISTRIBUTORS LTD**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 May 2006 set out on pages three to seven and you consider that the company is exempt from an audit.

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.



Wellers Accountants
Stuart House
55 Catherine Place
London
SW1E 6DY

Date: 11.7.06