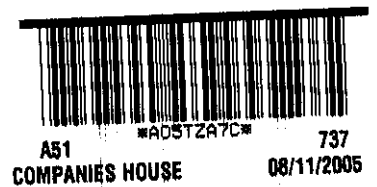


TMG PROMOTIONS LTD
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD 28 JANUARY 2004 - 30 JUNE 2005

CO NO 5028607

**Lake & Co
Chartered Accountants
25A Kenton Park Parade
Kenton
Middx HA3 8DN**



TMG PROMOTIONS LTD
REPORT OF THE DIRECTORS

The directors have pleasure in presenting their report and the financial statements for the period ended 30 June 2005.

PRINCIPAL ACTIVITY

The company was incorporated on 28 January 2004.

The company carries on the business of operating a nightclub.

RESULTS AND DIVIDENDS

The results of the operations for the period ended 30 June 2005 are set out in the Profit and Loss Account.

A dividend of £75,535 was paid in the period ended 30 June 2005. The director proposes that the loss for the period in the sum of £38,124 be transferred to reserves.

DIRECTORS

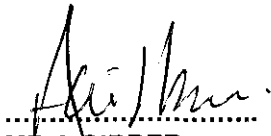
The directors at 30 June 2005 and their interests in the share capital of the company were as follows:-

	<u>2005</u>
Mr Janak Masrani	100

SMALL COMPANY RULES

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

This report was approved by the board on 20 October 2005 and signed by order of the board.


..... Secretary
MR A GIBBER

Registered Office
25A Kenton Park Parade
Kenton
Middx HA3 8DN

TMG PROMOTIONS LTD

ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS

In accordance with the terms of our engagement letter and in order to assist you to fulfil your duties under the Companies Act 1985 we have compiled the financial statements of the company which comprise the Profit & Loss Account and Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the company's board of directors as a body in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's board of directors that we have done so and state those matters that we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law we do not accept or assume any responsibility to anyone other than the company and the company's board of directors as a body for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England & Wales and have complied with ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet your duty to ensure that the company has kept proper accounting records and to prepare financial statements for the period ended 30 June 2005 that give a true and fair view under Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the period.

We have not been instructed to carry out an audit of the financial statements. For this reason we have not verified the accuracy or completeness of the accounting records or information and explanations you have given us and we do not therefore express any opinion on the financial statements.



Lake & Co
Chartered Accountants
25A Kenton Park Parade
Kenton
Middx HA3 8DN

20 October 2005

TMG PROMOTIONS LTD
PROFIT AND LOSS ACCOUNT
FOR THE PERIOD 28 JANUARY 2004 - 30 JUNE 2005

	<u>Note</u>	<u>2005</u> £
Turnover	2	618,212
Cost of sales		- 163,721
Gross profit		454,491
Administrative expenses		- 362,750
Operating profit	3/4	91,741
Interest payable	5	- 49,681
Profit on ordinary activities before taxation		42,060
Tax on ordinary activities	6	- 4,649
Profit for the year		37,411
Dividends	7	- 75,535
Retained loss c/fwd		- 38,124

The accompanying notes are an integral part of these financial statements.

TMG PROMOTIONS LTD

BALANCE SHEET AS AT 30 JUNE 2005

	<u>Note</u>	£	<u>2005</u>	£
FIXED ASSETS				
Intangible assets	8			90,000
Tangible assets	9			<u>619,824</u>
				709,824
CURRENT ASSETS				
Stocks	10	4,825		
Cash in hand and at bank		<u>3,486</u>		
		8,311		
Creditors: Amounts falling due within one year	11	-	24,214	
Net current liabilities			-	15,903
Assets less current liabilities				<u>693,921</u>
Creditors: Amounts falling due after more than one year	12	-	731,945	
Net assets			-	<u>38,024</u>
CAPITAL AND RESERVES				
Called-up share capital	13			100
Profit and loss account			-	<u>38,124</u>
Shareholders' funds	14		-	<u>38,024</u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of Section 249A(1) Companies Act 1985. Members have not required the company under Section 249B(2) Companies Act 1985 to obtain an audit for the period ended 30 June 2005. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 Companies Act 1985 and for preparing accounts which give a true and fair view of the state of affairs of the company as at 30 June 2005 and of its loss for the period then ended in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

The financial statements, which have been prepared in accordance with the special provisions of Part VII Companies Act 1985 applicable to small companies, were approved by the board on 20 October 2005 and signed on its behalf.

..... Director
JANAK MASRANI

The notes on pages 5 - 9 form part of these financial statements.

TMG PROMOTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 28 JANUARY 2004 - 30 JUNE 2005

1 ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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).

The financial statements have also been prepared on a going concern basis on the understanding that the shareholder of the company will support the company in order to ensure that it can meet its obligations as and when they fall due.

1.2 Turnover

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

1.3 Depreciation of intangible assets

The company's policy is to write off goodwill evenly over its economic life of 10 years.

1.4 Depreciation of tangible assets

Provision is made for depreciation on all tangible assets at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life as follows:-

Freehold buildings	2% per annum on cost
Fixtures and fittings	20% reducing balance
Equipment	25% reducing balance

1.5 Stock

Stock and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

1.6 Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes using the liability method only to the extent that in the opinion of the directors there is a reasonable probability that a liability or asset will crystallise in the near future.

TMG PROMOTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 28 JANUARY 2004 - 30 JUNE 2005

2. TURNOVER

The turnover and pre-tax profit are wholly attributable to the company's main activity in the United Kingdom.

	<u>2005</u>
	<u>£</u>
United Kingdom	<u>618,212</u>

3. OPERATING PROFIT

2005
£

This is stated after charging:

Staff costs (see note 4)	131,497
Directors' emoluments	31,200
Depreciation	<u>34,726</u>

4. EMPLOYEE INFORMATION

2005
£

4.1 Staff costs:-

Wages and salaries	122,256
Social security costs	9,241
	<u>131,497</u>

4.2 The average weekly number of employees during the year was made up as follows:-

	<u>No.</u>
Office and management	3
Sales assistants	7
	<u>10</u>

5. INTEREST PAYABLE

2005
£

On bank loans	34,669
On other loans	15,012
	<u>49,681</u>

6. TAXATION

2005
£

Corporation tax	<u>4,649</u>
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7. DIVIDENDS

2005
£

Dividends paid in the year	<u>75,535</u>
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TMG PROMOTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 28 JANUARY 2004 - 30 JUNE 2005

8. INTANGIBLE FIXED ASSETS

	<u>Goodwill</u>
	£
Cost:	
Additions	100,000
Amortised during the year	- 10,000
At 30 June 2005	<u>90,000</u>

9. TANGIBLE FIXED ASSETS

	<u>Freehold Land and Building</u>	<u>Fixtures and Fittings</u>	<u>Office Equipment</u>	<u>Total</u>
	£	£	£	£
Cost:				
Additions	562,136	75,000	7,414	644,550
At 30 June 2005	<u>562,136</u>	<u>75,000</u>	<u>7,414</u>	<u>644,550</u>
Depreciation:				
Charge for year	7,869	15,000	1,857	24,726
At 30 June 2005	<u>7,869</u>	<u>15,000</u>	<u>1,857</u>	<u>24,726</u>
Net book value:				
At 30 June 2005	<u>554,267</u>	<u>60,000</u>	<u>5,557</u>	<u>619,824</u>

Included in the freehold property is a figure of £168611 in respect of the freehold land which is not depreciated.

10. STOCKS

	<u>2005</u>
	£
Goods for resale	<u>4,825</u>

11. CREDITORS

Amounts falling due within 1 year

	<u>2005</u>
	£
Bank loans and overdraft	6,324
Corporation tax	4,649
Other taxes and social security costs	13,241
	<u>24,214</u>

TMG PROMOTIONS LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 28 JANUARY 2004 - 30 JUNE 2005

12. CREDITORS

Amounts falling due after more than 1 year

	<u>2005</u>
	£
Bank loans	458,565
Other loans	273,380
	<u>731,945</u>

The total amount of bank loans and overdrafts was as follows:

Falling due within one year:

Bank overdraft	6,324
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Falling due after more than one year:

Bank loan	<u>458,565</u>
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Total bank borrowings	<u>464,889</u>
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The company's bank loan is secured on the assets and undertakings given by the company incorporating a first legal charge on the freehold land and buildings of the company.

13. SHARE CAPITAL

	<u>2005</u>
	£
Allotted, issued, authorised and fully paid:	
100 ordinary shares of £1 each	<u>100</u>

14. MOVEMENT ON SHAREHOLDERS FUNDS

	<u>2005</u>
	£
Loss for the year	- 38,124
Shares issued during the year	100
Closing shareholders funds	<u>38,024</u>