

MARKET ARMS LIMITED
DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 MARCH 2005

SC 264621

FINANCIAL STATEMENTS

The Director present their report and unaudited financial statements for the period ended 1 July 2004 to 31 March 2005.

DIRECTOR'S RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period. In preparing those financial statements, the directors are required to:-

- * **Select suitable accounting policies and 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**
- * **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 keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company to enable them to ensure that the accounts comply with the Companies Act 1985. They are 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.

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was the operation of a public house.

RESULTS AND DIVIDENDS

The profit for the period after taxation is as shown on page 3. The directors do not recommend payment of a dividend for the period.



MARKET ARMS LIMITED
DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 MARCH 2005
(CONTINUED)

REVIEW OF THE BUSINESS

This is the company's first period of business and the director is satisfied with the results.

FUTURE DEVELOPMENTS

There are no plans to develop the business into other areas other than the principal activity.

DIRECTORS

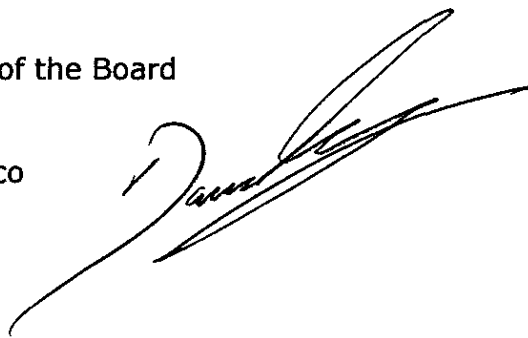
The Director, whom served throughout the period, had the following interests in the £1 ordinary shares of the company at the end of the financial period.

	<u>£</u>
Mr D Fusco	1
	==

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

By order of the Board

Mr D Fusco
Director



23 December 2005

MARKET ARMS LIMITED
PROFIT & LOSS ACCOUNT
FOR THE PERIOD 1 JULY 2004 TO 31 MARCH 2005

	Note	
Turnover	1	109,189
Cost of Sales		47,115

Gross Profit		62,074
Distribution & Administrative Expenses	2	48,906
Other Operating Income		-

Operating Profit		13,168
Interest Receivable		1
Interest Payable		9,521

Profit on Ordinary Activities Before Taxation		3,648
Taxation	3	-

Profit for the financial period		3,648
		=====

All amounts relating to continuing activities.

All recognised gains and losses have been included in the Profit and Loss account.

The notes on pages 7 and 8 form part of these financial statements.

MARKET ARMS LIMITED
BALANCE SHEET
AS AT 31 MARCH 2005

	Note	£	£
Fixed Assets			
Tangible Assets	4		160,093
Goodwill			15,000

			175,093
Current Assets			
Stock		4,000	
Cash at bank & in hand		6,726	

		10,726	
Creditors:			
Amounts falling due within one year	5	12,327	

Net Current Liabilities			(1,601)

Total Assets Less Current Liabilities			173,492
Creditors:			
Amounts falling due after one year	6		169,843

Net Assets			3,649
			=====
Capital and Reserves			
Called up Share Capital	7		1
Profit and Loss Account			3,648

Shareholders Funds			3,649
			=====

This balance sheet is continued on page 5.

The notes on pages 7 and 8 form part of these financial statements.

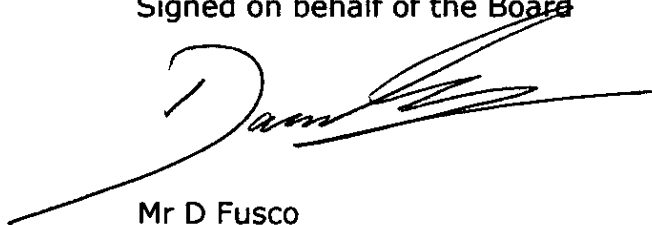
MARKET ARMS LIMITED
BALANCE SHEET
AS AT 31 MARCH 2005 (CONTINUED)

In preparing these unaudited financial statements advantage has been taken of the exemption under section 249A(1) of the Companies Act 1985. No notice requiring an audit has been deposited by members under section 249B(2).

Company law requires the directors to prepare financial statements for each financial period which give a fair and true view of the state of affairs of the company and of the profit and loss of the company for that period and which comply with the provisions of the Companies Act 1985. The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure the financial statements comply with the Companies Act. They are also responsible for safeguarding the assets of the company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

These financial statements have been prepared in accordance with the special provisions relating to small companies within part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Signed on behalf of the Board

A handwritten signature in black ink, appearing to read 'D Fusco', with a long horizontal line extending to the right.

Mr D Fusco

Director

23 December 2005

MARKET ARMS LIMITED
STATEMENT OF ACCOUNTING POLICIES
PERIOD ENDED 31 MARCH 2005

The Financial Statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) under the historical cost convention.

(a) Turnover

Turnover consists of takings net of returns, trade discounts and value added tax.

(b) Taxation

Corporation tax payable is provided on taxable profits at the current rate.

(c) Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives

Equipment & Fittings - 10% reducing balance

MARKET ARMS LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2005

1 TURNOVER

Turnover was attributable entirely to the United Kingdom market.

2 DISTRIBUTIVE & ADMINISTRATIVE EXPENSES

£

These include:

Depreciation of Plant & Equipment	1,454
Accountants Remuneration	1,250
	=====

3 TAXATION

The tax charge for the year has been calculated at the relevant rate.

4 TANGIBLE FIXED ASSETS

	<u>Premises</u>	<u>Equipment & Fittings</u>	<u>Total</u>
	£	£	£
<u>Cost</u>			
Additions	147,016	14,531	161,547
Disposals	-	-	-
	-----	-----	-----
At 31 March 2005	147,016	14,531	161,547
	-----	-----	-----
<u>Depreciation</u>			
Charge for Period	-	1,454	1,454
Disposals	-	-	-
	-----	-----	-----
At 31 March 2005	-	1,454	1,454
	-----	-----	-----
<u>Net Book Value</u>			
31 March 2005	147,016	13,077	160,093
	=====	=====	=====

MARKET ARMS LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2005 (CONTINUED)

5	CREDITORS:	
	Amounts falling due within one year	£
	VAT	4,615
	Trade Creditors	1,407
	Accruals	1,000
	Term Loan	5,000
	Bank Account	305

		12,327
		=====
6	CREDITORS:	
	Amounts falling due after one year	
	Term Loan	163,331
	Directors Loan Account	6,512

		169,843
		=====
7	SHARE CAPITAL	
		<u>2005</u>
	Authorised	
	Ordinary shares of £1 each	1
		=====
	Allotted, called up & fully paid	
	Ordinary shares of £1 each	1
		=====