

NON STOP PARTY SHOP LIMITED
FINANCIAL STATEMENTS
FOR
31 MARCH 2002

Company Registration Number 2209458



NON STOP PARTY SHOP LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2002

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NON STOP PARTY SHOP LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS

M.E. Pearce
N.M. Pearce
J.N. Abrahams
M.J. Sharman
T.J. Thomson
S.J. Tisdall

COMPANY SECRETARY

N.M. Pearce

REGISTERED OFFICE

Unit 1, Glenville Mews
Kimber Road
London
SW18 4NJ

AUDITORS

Menzies
Chartered Accountants
& Registered Auditors
Neville House
55 Eden Street
Kingston upon Thames
Surrey
KT1 1BW

BANKERS

National Westminster Bank Plc
9 High Street
Cobham
Surrey
KT11 3DJ

NON STOP PARTY SHOP LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2002

The directors present their report and the financial statements of the company for the year ended 31 March 2002.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year continued to be that of retailing and hiring out party goods.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 March 2002	At 1 April 2001
M.E. Pearce	10,000	10,000
N.M. Pearce	17,500	17,500
J.N. Abrahams	11,000	11,000
M.J. Sharman	3,167	3,167
T.J. Thomson	-	-
S.J. Tisdall	500	500

DIRECTORS' 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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 6, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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 and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors 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.

AUDITORS


A resolution to re-appoint Menzies as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

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:
Unit 1, Glenville Mews
Kimber Road
London
SW18 4NJ

Signed by order of the directors


N.M. Pearce
Company Secretary

Approved by the directors on 6 June 2002

NON STOP PARTY SHOP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 31 MARCH 2002

We have audited the financial statements on pages 4 to 10 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

It is our responsibility to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.


We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2002 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Neville House
55 Eden Street
Kingston upon Thames
Surrey
KT1 1BW

7 June 2002


MENZIES
Chartered Accountants
& Registered Auditors

NON STOP PARTY SHOP LIMITED**PROFIT AND LOSS ACCOUNT****YEAR ENDED 31 MARCH 2002**

	Note	2002 £	2001 £
TURNOVER		1,707,881	1,407,901
Cost of sales		586,003	508,237
GROSS PROFIT		1,121,878	899,664
Administrative expenses		1,095,618	865,221
OPERATING PROFIT	2	26,260	34,443
Interest receivable		42	155
Amounts written off investments	4	-	(51,791)
Interest payable and similar charges		(19,207)	(5,349)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		7,095	(22,542)
Tax on profit/(loss) on ordinary activities		(2,571)	(7,989)
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR		4,524	(30,531)

The notes on pages 6 to 10 form part of these financial statements.

NON STOP PARTY SHOP LIMITED


BALANCE SHEET


31 MARCH 2002

	Note	2002 £	2001 £
FIXED ASSETS			
Tangible assets	5	152,271	127,245
Investments	6	6,023	39,347
		<u>158,294</u>	<u>166,592</u>
CURRENT ASSETS			
Stocks		215,861	182,592
Debtors	7	101,892	86,894
Cash in hand		2,181	1,933
		<u>319,934</u>	<u>271,419</u>
CREDITORS: Amounts falling due within one year	8	<u>(269,896)</u>	<u>(248,229)</u>
NET CURRENT ASSETS		50,038	23,190
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>208,332</u>	<u>189,782</u>
CREDITORS: Amounts falling due after more than one year	9	<u>(26,750)</u>	<u>(14,653)</u>
		181,582	175,129
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	10	(8,396)	(6,467)
		<u>173,186</u>	<u>168,662</u>
CAPITAL AND RESERVES			
Called-up equity share capital	13	114,268	114,268
Share premium account		128,393	128,393
Convertible loan stock	14	100,000	100,000
Profit and Loss Account	15	(169,475)	(173,999)
SHAREHOLDERS' FUNDS		<u>173,186</u>	<u>168,662</u>

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 March 2000).

These financial statements were approved by the directors on the 6 June 2002 and are signed on their behalf by:


N.M. Pearce


M.J. Sharman

The notes on pages 6 to 10 form part of these financial statements.

NON STOP PARTY SHOP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2002

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 March 2000).

The principal accounting policies have remained unchanged from the previous year and are set out below.

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Turnover

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

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:

Leasehold Property	- over the period of the lease
Plant & equipment	- between 15% and 33%

Stock

Stock is stated at the lower of cost and net realisable value. Net realisable value means the estimated selling price less all further costs to completion and all costs to be incurred in marketing, selling and distribution.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account on a straight line basis.

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.

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

Consolidation

The company has taken advantage of the statutory exemption not to prepare group accounts, by virtue of its size, as permitted by Section 248 of the Companies Act 1985. The results included in these financial statements relate to the company as an individual undertaking.

Lease commitments

Assets financed under finance leases are capitalised in the balance sheet at their fair value and are depreciated over the shorter of the term of the lease and their useful economic lives.

Finance charges and interest in connection with the finance lease are charged to the profit and loss account on a straight line basis.

NON STOP PARTY SHOP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2002

2. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2002	2001
	£	£
Staff pension contributions	8,490	4,706
Depreciation	42,859	34,093
Profit on disposal of fixed assets	(3,234)	(75)
Auditors' fees	<u>5,600</u>	<u>5,300</u>

3. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2002	2001
	£	£
Aggregate emoluments	<u>99,183</u>	<u>83,312</u>

The number of directors who are accruing benefits under company pension schemes were as follows:

	2002	2001
	No.	No.
Money purchase schemes	<u>3</u>	<u>3</u>

4. AMOUNTS WRITTEN OFF INVESTMENTS

	2002	2001
	£	£
Write-down of loan to subsidiary undertaking	<u>-</u>	<u>51,791</u>

5. TANGIBLE FIXED ASSETS

	Land and buildings £	Other equipment £	Total £
COST			
At 1 April 2001	6,453	314,441	320,894
Additions	-	67,885	67,885
Disposals	-	(8,203)	(8,203)
At 31 March 2002	<u>6,453</u>	<u>374,123</u>	<u>380,576</u>
DEPRECIATION			
At 1 April 2001	3,799	189,850	193,649
Charge for the year	379	42,480	42,859
On disposals	-	(8,203)	(8,203)
At 31 March 2002	<u>4,178</u>	<u>224,127</u>	<u>228,305</u>
NET BOOK VALUE			
At 31 March 2002	<u>2,275</u>	<u>149,996</u>	<u>152,271</u>
At 31 March 2001	<u>2,654</u>	<u>124,591</u>	<u>127,245</u>

NON STOP PARTY SHOP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2002

5. TANGIBLE FIXED ASSETS (continued)

Hire purchase agreements

Included within the net book value of £152,271 is £13,445 (2001 - £21,408) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £7,998 (2001 - £6,181).

6. INVESTMENTS

Investment in subsidiary

	£
COST	
At 1 April 2001 and 31 March 2002	<u>1,000</u>
LOANS	
At 1 April 2001	38,347
Repaid in year	<u>(33,324)</u>
At 31 March 2002	<u>5,023</u>
NET BOOK VALUE	
At 31 March 2002	<u>6,023</u>
At 31 March 2001	<u>39,347</u>

The company owns 100% of the issued share capital of the company listed below:

	2002 £	2001 £
Aggregate capital and reserves		
Non Stop Online Limited	1,817	1,000
Profit and (loss) for the year		
Non Stop Online Limited	817	-

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so. Therefore the accounts show information about the company as an individual entity.

7. DEBTORS

	2002 £	2001 £
Trade debtors	4,170	1,377
Other debtors	97,722	85,517
	<u>101,892</u>	<u>86,894</u>

8. CREDITORS: Amounts falling due within one year

	2002 £	2001 £
Bank loan and overdraft	30,500	27,045
Trade creditors	150,138	115,033
Other creditors	89,258	106,151
	<u>269,896</u>	<u>248,229</u>

NON STOP PARTY SHOP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2002

9. CREDITORS: Amounts falling due after more than one year

	2002 £	2001 £
Bank loan and overdraft	18,500	-
Hire purchase agreements	8,250	14,653
	<u>26,750</u>	<u>14,653</u>

10. DEFERRED TAXATION

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2002 £	2001 £
Other timing differences	8,396	6,467

11. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2002 the company had aggregate annual commitments under non-cancellable operating leases as set out below.

	2002 £	2001 £
Operating leases which expire:		
Within 1 year	52,000	37,000
Within 2 to 5 years	73,483	100,000
After more than 5 years	139,250	102,250
	<u>264,733</u>	<u>239,250</u>

12. RELATED PARTY TRANSACTIONS

No single party controls the company.

At the year end the company was owed £nil (2001 - £1,698) from N M Pearce, a director and shareholder and was owed £nil (2001 - £1,734) from J N Abrahams, a directors and shareholder.

The maximum owed to the company by N M Pearce and J N Abrahams was £6,469 and £4,075 respectively.

The company also owed an amount of £nil (2001 - £13,500) to S Mortstedt, a shareholder via Nobleslide Limited.

M J Sharman, a director and shareholder provided consultancy services to the company amounting to £12,010 (2001 - £12,332).

NON STOP PARTY SHOP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2002

13. SHARE CAPITAL

Authorised share capital:

	2002 £	2001 £
300,000 Ordinary shares of £1.00 each	300,000	300,000
Allotted, called up and fully paid:		
	2002 £	2001 £
Ordinary share capital	114,268	114,268

Share options which have been granted to the directors are as follows:

Date option granted	Number of shares	Subscription price	First date on which option exercisable
N.M. Pearce	6,500	£2	From 1 April 2003
N.M. Pearce	6,500	£4	From 1 April 2005
J.N. Abrahams	7,500	£2	From 1 April 2003
J.N. Abrahams	7,500	£4	From 1 April 2005
S.J. Tisdall	1,250	£2	From 1 April 2003
S.J. Tisdall	1,250	£4	From 1 April 2005

The options can be exercised, in normal circumstances, within a period commencing anytime from the exercise date above.

14. CONVERTIBLE LOAN STOCK

The convertible loan stock represents amounts loaned to the company from some of the directors and shareholders. The purpose of issuing the convertible loan stock was to finance the setting up and the operations of Non Stop OnLine Limited, a 100% subsidiary of the company. The convertible loan stock is non-repayable but is only convertible into 50,000 ordinary shares of £1 each at the option of the holder during the period commencing 1 April 2003 and ending 31 March 2005 and thereafter at the option of the company without time limit.

15. PROFIT AND LOSS ACCOUNT

	2002 £	2001 £
Balance brought forward	(173,999)	(143,468)
Retained profit/(loss) for the financial year	4,524	(30,531)
Balance carried forward	(169,475)	(173,999)