

HELLOWEEN LIMITED

Report and Financial Statements

For the year ended 30 September 2005



Registered No. 2448011

HELLOWEEN LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2005

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HELLOWEEN LIMITED
COMPANY INFORMATION
At 30 September 2005

Directors

P F Wallace
A Najeeb

Secretary

SEA Standing

Registered Office

Sanctuary House
45-53 Sinclair Road
London W14 0NS

HELLOWEEN LIMITED

DIRECTORS REPORT

The Directors present their report and financial statements for the year ended 30 September 2005.

Principal activities

The principal activity of the company in the period under review was the promotion of the musical group "Halloween".

Review of business and future developments

The company had traded as expected during the year and the directors are confident of the future prospects.

Directors and their interests

The Directors in office in the year were as follows:

A J Taylor (resigned 26 May 2006)
A Najeeb
M J Haxby (resigned 31 March 2006)
P F Wallace (appointed 26 May 2006)

Both Messrs AJ Taylor and A Najeeb were directors of the ultimate parent company, The Sanctuary Group plc. Details of their shareholdings in that company are disclosed in its annual report.

Shareholdings of other directors in The Sanctuary Group plc were as follows:

	Ordinary shares <i>of 12.5p each</i> 2005	Ordinary shares <i>of 12.5p each</i> 2004
M J Haxby	289,720	289,720
	Options over Ordinary shares <i>of 12.5p each</i> 2005	Options over Ordinary shares <i>of 12.5p each</i> 2004
M J Haxby	453,758	453,758

On the date of appointment Mr P F Wallace did not hold any shares or options in The Sanctuary Group plc.

The Sanctuary Group plc held an Extraordinary General meeting on 17 March 2006 where all the resolutions put to shareholders in order to effect a Placing and Open Offer of 219,931,148 new Ordinary Shares of 50 pence per share, sub-division and consolidation of existing Ordinary Shares and an amendment to the borrowing powers of The Sanctuary Group plc as announced on 3 February 2006 were duly passed.

Auditors

A resolution to appoint KPMG Auditors Plc as auditors will be put to the members at the annual general meeting.

By order of the board


P F Wallace
Director

1 September 2006

HELLOWEEN LIMITED

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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 as at the end of the financial year and of the profit and loss of the company for that period. In preparing those statements the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- 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 maintaining 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. 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.

HELLOWEEN LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HELLOWEEN LIMITED

We have audited the financial statements on pages 5 to 11.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities on page 3.

Our responsibility is 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 and other members of the group is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

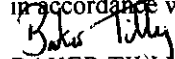
Basis of opinion

We conducted our audit in accordance with 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 affairs of the company at 30 September 2005 and of the company's loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


BAKER TILLY
Registered Auditor
Chartered Accountants
2 Bloomsbury Street
London WC1B 3ST
15 September 2006

HELLOWEEN LIMITED
PROFIT AND LOSS ACCOUNT
For the year ended 30 September 2005

	Notes	2005 £	2004 £
Turnover	2	37,396	33,883
Direct Costs		(17,736)	(17,034)
Administrative expenses		-	(3,075)
Other Operating Costs		(34,885)	(6,518)
Operating (Loss)/Profit	3	<u>(15,225)</u>	<u>7,256</u>
Investment income and interest chargeable		15	47
(Loss)/Profit on ordinary activities before taxation		<u>(15,210)</u>	<u>7,303</u>
Tax on (loss)/profit on ordinary activities	4	-	(38,287)
Loss on ordinary activities after taxation	11	<u><u>(15,210)</u></u>	<u><u>(30,984)</u></u>


The operating loss for the year arises from the company's continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

HELLOWEEN LIMITED
BALANCE SHEET
As at 30 September 2005

			2005	2004
	Notes	£	£	£
Fixed Assets				
Investments	5		100	100
			<u>100</u>	<u>100</u>
Current Assets				
Debtors	6	133,783	138,283	
Cash in bank and in hand		3,109	19,110	
		<u>136,892</u>	<u>157,393</u>	
Creditors: amounts falling due within one year	7	(145,660)	(150,951)	
Net current Assets			<u>(8,768)</u>	<u>6,442</u>
Total Assets less Current Liabilities			<u><u>(8,668)</u></u>	<u><u>6,542</u></u>
Capital and Reserves				
Called up share capital	9		500	500
Profit and loss account	10		(9,168)	6,042
Total Shareholders' funds			<u><u>(8,668)</u></u>	<u><u>6,542</u></u>

Approved by the Board of Directors on 1 September 2006 and signed on its behalf by:


 P F Wallace
 Director

HELLOWEEN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2005

1. STATEMENT OF ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

GOING CONCERN

The company relies on the continued support of the parent company, The Sanctuary Group plc. On 20 March 2006, The Sanctuary Group plc successfully concluded a placing and open offer of new ordinary shares which resulted in raising £110,000,000 in cash (before expenses) and additionally a debt release of £35,000,000. The directors therefore consider that the support of The Sanctuary Group plc allows them to continue to adopt the going concern concept in preparing the financial statements.

TURNOVER

Income is accounted for when it is contractually due to the company.

INVESTMENTS

Long term investments are described as participating interests and are classified as fixed assets. Short term investments are classified as current assets.

Provision is made for any permanent diminution in the value of fixed asset investments.

FOREIGN CURRENCY

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

CONSOLIDATED FINANCIAL STATEMENTS

The company does not present consolidated financial statements by virtue of Section 228 of the Companies Act 1985. The accounts present information about the company as an individual undertaking and not about its group.

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in a obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

HELLOWEEN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2005

2. TURNOVER	2005	2004
	%	%
Geographical Market		
United Kingdom	-	89
Overseas	100	11
	<u>100</u>	<u>100</u>
3. OPERATING (LOSS)/PROFIT	2005	2004
	£	£
Operating (loss)/profit is stated after charging:		
Depreciation of fixed assets	-	-
	<u>-</u>	<u>-</u>
Auditors' fees are borne by another group company. The company has no employees. The directors did not receive any remuneration for their services.		
4. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES	2005	2004
	£	£
a) Analysis of charge in year		
Current tax:		
UK Corporation tax	-	-
Foreign tax	-	36,020
Total current tax	<u>-</u>	<u>36,020</u>
Deferred tax:		
Origination and reversal of timing differences	-	2,267
	<u>-</u>	<u>38,287</u>
b) Factors affecting the charge for the year		
Tax assessed for the period is lower than the standard rate of corporation tax in the UK (30%)		
The difference is explained below:		
(Loss)/Profit on ordinary activities before tax	<u>(15,210)</u>	<u>7,303</u>
(Loss)/Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK at 30% (2004:30%)	(4,563)	2,191
Expenses not allowable for taxation purposes	4,563	-
Capital allowances in excess of depreciation	-	(1,148)
Losses brought forward utilised	-	(1,029)
Group relief	-	(14)
	<u>-</u>	<u>-</u>

HELLOWEEN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2005

5. INVESTMENTS

	Beginning and end of period £
Shares:	
Group undertakings	100
Net book value	<u>100</u>

The company holds 100 ordinary shares, being 100% of the issued share capital of Helloween Touring Ltd, a company incorporated in England, whose nature of business is the tour promotion of the band "Helloween" as artists.

6. DEBTORS

	2005 £	2004 £
Trade debtors	1,176	1,176
Amounts owed by group undertakings	115,168	27,524
Accrued income	5,253	5,000
Other debtors	-	92,397
Deferred tax (note 8)	12,186	12,186
	<u>133,783</u>	<u>138,283</u>

7. CREDITORS: Amounts falling due within one year

	2005 £	2004 £
Trade creditors	-	5,694
Amounts owed to group undertakings	137,215	111,280
Other tax and social security costs	8,445	24,652
Other creditors	-	9,325
	<u>145,660</u>	<u>150,951</u>

HELLOWEEN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2004

8. DEFERRED TAX	2005	2004
	£	£
Provision for deferred tax is:		
Tax losses carried forward	12,186	12,186
	<u>12,186</u>	<u>12,186</u>
At 1 October 2004	12,186	14,453
Deferred tax charged to profit and loss account	-	(2,267)
At 30 September 2005 – see note 4	<u>12,186</u>	<u>12,186</u>
9. SHARE CAPITAL	2005	2004
	£	£
Authorised		
600 Ordinary shares of £1 each	600	600
	<u>600</u>	<u>600</u>
Allotted, called up and fully paid:		
500 Ordinary shares of £1 each	500	500
	<u>500</u>	<u>500</u>
10. PROFIT AND LOSS ACCOUNT	2005	2004
	£	£
At 1 October 2004	6,042	37,026
Loss for the period	(15,210)	(30,984)
Retained profit as at 30 September 2005	<u>(9,168)</u>	<u>6,042</u>
11. MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS	2005	2004
	£	£
The reconciliation of movements in shareholders' funds is as follows:		
Opening shareholders' funds	6,542	37,526
Loss for the period	(15,210)	(30,984)
Closing shareholders' funds	<u>(8,668)</u>	<u>6,542</u>

HELLOWEEN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2004

12. IMMEDIATE PARENT COMPANY

The company is a subsidiary of Sanctuary Management Productions Limited, a company incorporated and operating in England.

13. ULTIMATE PARENT COMPANY

In the directors' opinion the ultimate parent company at 30 September 2005 was The Sanctuary Group plc, a company registered in England and Wales.

Copies of the group financial statements of The Sanctuary Group plc are available from Companies House, Crown Way, Maindy, Cardiff CF4 3UZ.

14. RELATED PARTY DISCLOSURES

In preparing these financial statements, the directors have taken advantage of the exemptions available under paragraph 3(c) of Financial Reporting Standard No.8, Related Party Disclosures.

15. CASH FLOW STATEMENTS

In accordance with Financial Reporting Standard No.1, cash flow statements have not been prepared as the cash flows of the company are included in those of the ultimate parent company, The Sanctuary Group plc.