

Company Registration No. 03039621

Funnyfriend Limited

Report and Financial Statements

30 June 2011



Funnyfriend Limited

Report and financial statements 2011

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Funnyfriend Limited

Report and financial statements 2011

Officers and professional advisers

Directors

J Thoday
R Allen-Turner
R Bennett
J Gregory
G Perkins
R Aslett
J Taylor

Secretary

R Allen-Turner

Registered Office

4a Exmoor Street
London
W10 6BD

Bankers

The Royal Bank of Scotland Plc
62/63 Threadneedle Street
PO Box 412
London
EC2R 8LA

Auditor

Deloitte LLP
Chartered Accountants
London

Funnyfriend Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 2011. This Directors' Report has been prepared in accordance with the special provisions relating to small companies under s418 of the Companies Act 2006.

Principal activity

The principal activity of the company is that of the provision of services of performers in the entertainment industry.

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies note in the financial statements.

Directors

The directors who served throughout the year were as follows:

J Thoday
R Allen-Turner
R Bennett
J Gregory
G Perkins
R Aslett
J Taylor

Directors' qualifying third party indemnity provisions

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Auditor

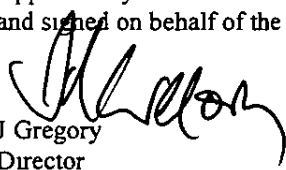
Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board


J Gregory
Director

 2012

Funnyfriend Limited

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, and
- 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 adequate accounting records that are sufficient to show and explain the company's transactions 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 2006. 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of Funnyfriend Limited

We have audited the financial statements of Funnyfriend Limited for the year ended 30 June 2011 which comprise the profit and loss account, the balance sheet and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on matters prescribed by the Companies Act 2006

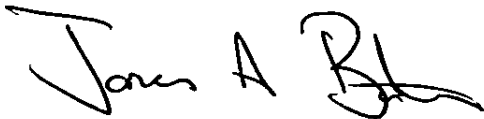
In our opinion the information in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Funnyfriend Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report



James Bates (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
2 March 2012

Funnyfriend Limited

Profit and loss account Year ended 30 June 2011

	Notes	2011 £	2010 £
Turnover	2	-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses		(3,038)	(2,567)
Operating loss	3	(3,038)	(2,567)
Interest payable and similar charges		-	(2)
Loss on ordinary activities before taxation		(3,038)	(2,569)
Tax on loss on ordinary activities	4	-	11
Loss for the financial year after taxation		(3,038)	(2,558)

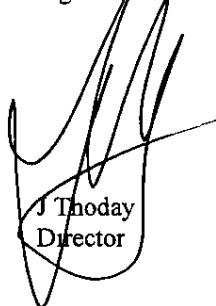
Funnyfriend Limited

Balance sheet 30 June 2011

	Notes	2011 £	2010 £
Fixed assets			
Investments	5	1	1
Current assets			
Debtors	6	200,103	495,271
Cash at bank		53,750	44,177
		<u>253,853</u>	<u>539,448</u>
Creditors: amounts falling due within one year	7	<u>(211,918)</u>	<u>(494,475)</u>
Net current assets		<u>41,935</u>	<u>44,973</u>
Total assets less current liabilities		<u>41,936</u>	<u>44,974</u>
Capital and reserves			
Called up share capital	8	41,000	41,000
Profit and loss account	9	936	3,974
Total equity shareholders' funds		<u>41,936</u>	<u>44,974</u>

The financial statements of Funnyfriend Limited, registered number 03039621 were approved by the Board of Directors on 2nd March 2012

Signed on behalf of the Board of Directors


J Thoday
Director

Funnyfriend Limited

Notes to the accounts

Year ended 30 June 2011

1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom generally accepted accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Going Concern

In reaching their decision to prepare the accounts on a going concern basis, the Directors have considered the impact of the current economic climate on both the company and the group of which it is a member.

Having given due consideration to the above factors and the anticipated future performance of the Company, taking into account reasonably possible changes in trading performance in light of uncertainty related to current economic conditions, the Directors have been able to form a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they adopt the going concern basis in preparing the accounts.

Preparation of consolidated financial statements

The financial statements contain information about Funnyfriend Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Avalon Entertainment Limited, a company incorporated in Great Britain and registered in England and Wales.

Turnover

Turnover represents fees receivable during the year stated net of value added tax.

2. Turnover

The turnover was derived from the company's principal activity, namely the provision of the services of performers in the entertainment industry, which was carried out wholly in the UK.

3. Operating loss

The operating loss is stated after charging

	2011	2010
	£	£
Fees paid to the Company's auditors for the audit of the Company's annual accounts	<u>2,210</u>	<u>1,978</u>

The directors of this entity are remunerated via a separate entity within the group.

Funnyfriend Limited

Notes to the accounts Year ended 30 June 2011

4. Taxation

Analysis of the tax credit

The tax credit on the loss on ordinary activities for the year was as follows

	2011 £	2010 £
Current tax		
UK corporation tax	-	-
Overprovision in previous year	-	(11)
	<u>-</u>	<u>(11)</u>
Tax on loss on ordinary activities	-	(11)

The company has surrendered the benefit of tax losses amounting to £3,040 (2010 £2,569) to its parent company without receiving any payment

5 Fixed asset investments

	Shares in group undertakings £
Cost	
At 1 July 2010	1
Additions	-
	<u>1</u>
At 30 June 2011	1
Net book value	
At 30 June 2011	<u>1</u>
At 30 June 2010	<u>1</u>

The company owns 100% of the issued ordinary share capital of Half Inch Recordings Limited whose principal activity was that of a record label. The company was dormant during the year and at 30 June 2010 had net assets of £1

6. Debtors: amounts falling due within one year

	2011 £	2010 £
Trade debtors	-	295,386
Amounts owed by group undertakings	200,103	38,438
Other debtors	-	161,447
	<u>200,103</u>	<u>495,271</u>

Funnyfriend Limited

Notes to the accounts Year ended 30 June 2011

7. Creditors: amounts falling due within one year

	2011 £	2010 £
Bank loans and overdrafts	-	397,582
Trade creditors	-	92,515
Amounts owed by group undertakings	205,178	-
Taxation and social security	-	33
Other creditors	6,740	4,345
	<u>211,918</u>	<u>494,475</u>

A cross guarantee and debenture exists between Avalon Management Limited, Avalon Promotions Limited, Avalon Public Relations Limited, Avalon Television Limited, Funnyfriend Limited, Liberty Bell Productions Limited and the company to secure bank overdraft and loan facilities available to these companies and their parent companies Avalon Entertainment Limited and Nolava Holdings Limited

8. Called up share capital

	2011 £	2010 £
Allotted, issued and fully paid		
Ordinary shares of £1 each	<u>41,000</u>	<u>41,000</u>

9. Reserves

	Profit and loss account £
At 1 July 2010	3,974
Loss for the year	(3,038)
At 30 June 2011	<u>936</u>

10. Related party disclosures

The company has taken advantage of the exemption available under FRS 8 not to disclose intra group transactions on the grounds that 100% of the voting rights are controlled within the group and consolidated financial statements including Avalon Public Relations Limited are publicly available

11. Ultimate parent party

The ultimate controlling party is JM Thoday

The parent company of the largest and smallest group in which this company's financial statements are consolidated are Nolava Holdings Limited and Avalon Entertainment respectively. Copies of consolidated financial statements of the company can be obtained from Companies House, Crown Way, Mandy, Cardiff CF14 3UZ