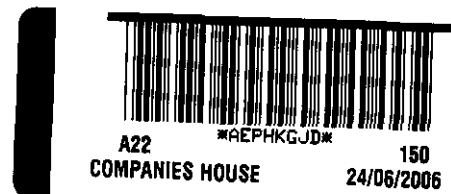


Company Registration No. 3907641 (England and Wales)

**RECKLESS FILMS LIMITED**  
**DIRECTOR'S REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2005**



# RECKLESS FILMS LIMITED

## DIRECTOR'S REPORT FOR THE YEAR ENDED 31 JANUARY 2005

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The director presents his report and financial statements for the year ended 31 January 2005.

### Principal activities

The principal activity of the company is that of film production.

### Director

The following director has held office since 1 February 2004:

J Ward

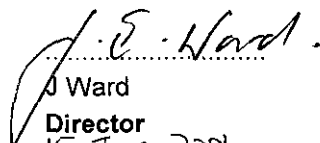
### Director's interests

The director's interest in the shares of the company was as stated below:

	Ordinary shares of £ 1 each	
	31 January 2005	1 February 2004
J Ward	50	50

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

On behalf of the board

  
J Ward  
Director  
15 June 2006

# RECKLESS FILMS LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2005

	Notes	2005 £	2004 £
Turnover		35,000	46,475
Cost of sales		(52,286)	(47,806)
Gross loss		(17,286)	(1,331)
Administrative expenses		(43,988)	(56,785)
Operating loss	2	(61,274)	(58,116)
Interest payable and similar charges		(13,280)	(7,530)
Loss on ordinary activities before taxation		(74,554)	(65,646)
Tax on loss on ordinary activities	3	-	-
Loss on ordinary activities after taxation	9	(£74,554)	(£65,646)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

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

# RECKLESS FILMS LIMITED

## BALANCE SHEET AS AT 31 JANUARY 2005

		2005		2004	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	4		-		2,784
<b>Current assets</b>					
Debtors	5	165		983	
Cash at bank and in hand		739		8,206	
		<u>904</u>		<u>9,189</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(211,820)</u>		<u>(148,335)</u>	
<b>Net current liabilities</b>			<u>(210,916)</u>		<u>(139,146)</u>
<b>Total assets less current liabilities</b>			<u>(210,916)</u>		<u>(136,362)</u>
<b>Creditors: amounts falling due after more than one year</b>	7		<u>(89,100)</u>		<u>(89,100)</u>
			<u>(£300,016)</u>		<u>(£225,462)</u>
<b>Capital and reserves</b>					
Called up share capital	8		100		100
Profit and loss account	9		<u>(300,116)</u>		<u>(225,562)</u>
<b>Shareholders' funds - equity interests</b>	10		<u>(£300,016)</u>		<u>(£225,462)</u>

# RECKLESS FILMS LIMITED

## BALANCE SHEET (CONTINUED) AS AT 31 JANUARY 2005

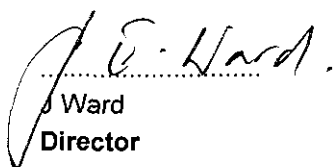
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In preparing these financial statements:

- (a) The director is of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The director acknowledges his responsibilities for:
  - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
  - (ii) preparing accounts 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 its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 15 June 2006.

  
J Ward  
Director

# RECKLESS FILMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2005

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

On the basis of the company's loan arrangements with its bankers at the balance sheet date, as disclosed in notes 6 and 7 to these financial statements, the directors consider it appropriate to prepare the financial statements on the going concern basis.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

#### 1.2 Turnover

Turnover represents amounts receivable for the production of films net of VAT.

#### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	25% reducing balance
Fixtures, fittings & equipment	25% reducing balance

#### 1.4 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the director, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Operating loss	2005	2004
	£	£
Operating loss is stated after charging:		
Depreciation of tangible assets	-	929
Loss on disposal of tangible assets	2,784	-
Accounting fees underprovided in prior years	-	8,818
	<u>          </u>	<u>          </u>

# RECKLESS FILMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2005

### 3 Taxation

	£	£
<b>Current tax charge</b>	-	-
<b>Factors affecting the tax charge for the year</b>		
Loss on ordinary activities before taxation	(74,554)	(65,646)
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2004: 19.00%)	(14,165)	(12,473)
Effects of:		
Non deductible expenses	597	512
Depreciation add back	-	177
Capital allowances	-	(112)
Tax losses carried forward	13,039	11,896
Chargeable disposals	529	-
	14,165	12,473
<b>Current tax charge</b>	-	-

The company has estimated losses of £290,000 (2004:£220,000) available for carry forward against future trading profits.

# RECKLESS FILMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2005

### 4 Tangible fixed assets

	Plant and machinery etc £
<b>Cost</b>	
At 1 February 2004	6,601
Disposals	(6,601)
	<hr/>
At 31 January 2005	-
	<hr/>
<b>Depreciation</b>	
At 1 February 2004	3,817
On disposals	(3,817)
	<hr/>
At 31 January 2005	-
	<hr/>
<b>Net book value</b>	
At 31 January 2005	-
	<hr/>
At 31 January 2004	2,784
	<hr/>

5 Debtors	2005 £	2004 £
Other debtors	165	983
	<hr/>	<hr/>

6 Creditors: amounts falling due within one year	2005 £	2004 £
Bank loans and overdrafts	201,307	132,642
Trade creditors	8,751	10,251
Director's current account	762	4,442
Other creditors	1,000	1,000
	<hr/>	<hr/>
	211,820	148,335
	<hr/>	<hr/>

The company meets its day to day working capital requirements through an overdraft facility which is repayable on demand. The company expects to operate within the facility currently agreed, which is reviewed three monthly and is expected to be renewed on this basis for the foreseeable future. This assumes the successful outcome of the company's plans for this period and the successful outcome of discussions with the company's bankers.



# RECKLESS FILMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2005

7	Creditors: amounts falling due after more than one year	2005 £	2004 £
	Bank loans	89,100	89,100
	<b>Analysis of loans</b>		
	Wholly repayable within five years	89,100	89,100

Bank loans represent an amount drawn down from a facility with the company's bankers, under the small business loan scheme, guaranteed by the DTI. Repayment of the loan has been deferred until September 2006, in agreement with the company's bankers and the DTI.

8	Share capital	2005 £	2004 £
	<b>Authorised</b>		
	1,000 Ordinary shares of £1 each	1,000	1,000
	<b>Allotted, called up and fully paid</b>		
	100 Ordinary shares of £1 each	100	100

9	Statement of movements on profit and loss account	Profit and loss account £
	Balance at 1 February 2004	(225,562)
	Retained loss for the year	(74,554)
	Balance at 31 January 2005	(300,116)

10	Reconciliation of movements in shareholders' funds	2005 £	2004 £
	Loss for the financial year	(74,554)	(65,646)
	Opening shareholders' funds	(225,462)	(159,816)
	Closing shareholders' funds	(300,016)	(225,462)

### 11 Control

John Ward is the controlling party.

# **RECKLESS FILMS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2005**

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### **12 Related party transactions**

During the year, the director, J Ward, charged the company production fees of £39,500 (2004 - £25,000).