

Kidstime Entertainment Limited

Directors' report and financial
statements

Registered number 3965602

31 December 2005



Kidstime Entertainment Limited

Company Information

Directors	A Whiteman
Secretary	HAL Management Ltd
Company number	3965602
Registered office	34 Gresse Street London W1T 1QX
Business address	34 Gresse Street London W1T 1QX

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Directors' report

The directors present their report and the financial statements for the year ended 31 December 2005. The comparative figures are for the twelve months to 31 December 2004.

Principal activities

The principal activity of the company continued to that of providing children's interactive entertainment.

Business review

The company's gross profit for the year was £2,677 (twelve months ending December 2004: £240 loss). The company's operating loss for the year was £231 (twelve months ending December 2004: £2,377 loss).

Results and dividends

The results for the year are set out on page 2.

Directors

The following directors have held office since 1 January 2003:
Mr A J Whiteman

Auditors

The directors have decided not to appoint auditors, and are applying the small companies exemption criteria as outlined in s247 and s247A of the Companies Act (1985), in electing not to perform a year-end audit.


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 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 then apply them consistently;
- make judgements and estimates that are responsible 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 keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable that the financial statements comply with the Companies Act 1985. They are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board


A Whiteman
Director

Income statement
for the year ended 31 December 2005

	<i>Notes</i>	2005 £	2004 £
Turnover	2	7,009	12,244
Cost of sales		(4,332)	(12,484)
		<hr/>	<hr/>
Gross profit / (loss)		2,677	(240)
Administrative expenses		(2,907)	(2,137)
		<hr/>	<hr/>
Operating loss on ordinary activities before taxation	3	(231)	(2,377)
Tax on profit/ (loss) on ordinary activities	4	-	-
		<hr/>	<hr/>
Loss for the financial year		(231)	(2,377)
Retained loss for the year		(231)	(2,377)

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

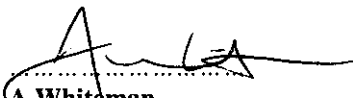
There are no recognised gains or losses other than the profit or loss for the above financial periods.

Balance sheet
at 31 December 2005

	<i>Note</i>	2005 £	£	2004 £	£
Fixed assets					
Tangible assets	5		-		-
Current assets					
Cash at bank		4,934		2,350	
		4,934		2,350	
Creditors: amounts falling due within one year	6	(19,157)		(16,342)	
Net current liabilities			(14,223)		(13,992)
Total assets less current liabilities			(14,223)		(13,992)
Creditors: amounts falling due after more than one year	7	(605,000)		(605,000)	
			(619,223)		(618,992)
Capital and reserves					
Called up share capital	8		784		784
Ordinary shares			160,526		160,526
Share premium account	9		449,186		449,186
Profit and loss account	9		(1,229,719)		(1,229,488)
	10		(619,223)		(618,992)

The financial statements were approved by the Board on 4th October 2006

For the year ended 31st December 2005 the company was entitled to exemption under section 249A(1) of the Companies Act 1985. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2). The directors acknowledge their responsibility for: i) Ensuring the company keeps accounting records which comply with section 221; and ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.


A Whiteman
Director

Notes

(forming part of the financial statements)

1 Accounting policies

1.1 Basis of preparation

The financial statements have been prepared on the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

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:

Website costs 33.3% - straight line

Fixtures, fittings & equipment 25% - straight line

Website costs are capitalised in accordance with UITF 29, Website Development Costs, as the directors believe that the website is an integral part of the business.

1.4 Foreign currency translation

Monetary assets and liabilities denomination in foreign currencies are translated into sterling at the rates 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 profit and loss account.

1.5 Cashflow statement

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

2 Turnover

The total turnover of the company for the period has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating loss

Operating profit is stated after charging:

	2005 £	2004 £
Depreciation of tangible assets	-	4,100
Auditor's remuneration – audit fees	-	-
- Non-audit fees	-	-
Director's emoluments	-	-
Profit on exchange	-	-
		<u> </u>

4 Taxation

The company has estimated loss of £230 for the year (12 months ending December 31 2004: £2,377 loss) available for carry forward against future trading profits.

5 Tangible Fixed Assets

	Website costs £	Fixtures, fittings, tools and equipment £	Total £
Cost			
At beginning of year	166,495	33,705	200,200
Additions	-	-	-
Disposals	-	-	-
At end of year	166,495	33,705	200,200
Depreciation			
At beginning of year	166,495	33,705	200,200
Charge for year	-	-	-
On disposals	-	-	-
At end of year	166,495	33,705	200,200
	<u> </u>	<u> </u>	<u> </u>
Net book value			
At 31 December 2005	-	-	-
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2004	-	-	-
	<u> </u>	<u> </u>	<u> </u>

Notes *(continued)*

6 Creditors: amounts falling due within one year

	2005	2004
	£	£
Trade creditors	11,646	11,646
Other creditors	7,511	4,696
	19,157	<u>16,342</u>

7 Creditors: amounts falling due after more than one year

	2005	2004
	£	£
Other creditors	605,000	<u>605,000</u>

8 Share capital

	2005	2004
	£	£
<i>Authorised</i>	852	852
85,244 Ordinary A shares of 1p each	148	148
14,756 Ordinary B shares of 1p each	<u>1,000</u>	<u>1,000</u>
<i>Allotted, called up and fully paid</i>		
76,000 Ordinary A shares of 1p each	760	760
2,400 Ordinary B shares of 1p each	24	24
	<u>784</u>	<u>784</u>

Notes (continued)

9 Statement of movements on reserves

	Share Premium	Profit and loss account
	£	£
At beginning of year	449,186	(1,229,488)
Movement in year	-	(231)
	<hr/>	<hr/>
At end of year	449,186	(1,229,719)
	<hr/>	<hr/>

10 Reconciliation of movements in shareholder's funds

	2005	2004
	£	£
(Loss)/profit for the financial period	(231)	(2,377)
Proceeds from the issue of shares	-	-
	<hr/>	<hr/>
Net (depletion in)/addition to shareholders' funds	(231)	(2,377)
Opening shareholder's funds	(618,992)	(616,615)
	<hr/>	<hr/>
	(619,223)	(618,992)
	<hr/>	<hr/>

11 Directors' emoluments

	2005	2004
	£	£
Emoluments for qualifying services	-	-
	<hr/>	<hr/>

12 Employees

Number of employees

The average monthly number of employees (including directors) during the period was:

	2005	2004
	£	£
Employees	1	2
	<u> </u>	<u> </u>
Employment Costs		
Wages and salaries	-	-
Social security costs	-	-
Other pension costs	-	-
	<u> </u>	<u> </u>
	-	-
	<u> </u>	<u> </u>