

RUNTEAM LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR
30 JUNE 2012



MALDE & CO
Chartered Certified Accountants
99 Kenton Road
Kenton Harrow
Middlesex
HA3 0AN

RUNTEAM LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2012

The directors present their report and the unaudited financial statements of the company for the year ended 30 June 2012

PRINCIPAL ACTIVITIES

The principal activity of the company continues to be that of film production

DIRECTORS

The directors who served the company during the year were as follows

Mr Timothy Burrill

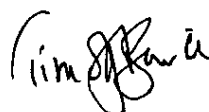
Mr Ian William Burlingham

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Registered office
99 Kenton Road
Kenton, Harrow
Middlesex
HA3 0AN

Signed on behalf of the directors



Mr Timothy Burrill
Director

Approved by the directors on 13 November 2012

RUNTEAM LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 JUNE 2012

	Note	2012 £	2011 £
TURNOVER		—	—
Administrative expenses		<u>2,523</u>	<u>2,469</u>
OPERATING LOSS	2	(2,523)	(2,469)
Interest receivable		<u>2</u>	<u>4</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(2,521)	(2,465)
Tax on loss on ordinary activities		—	—
LOSS FOR THE FINANCIAL YEAR		(2,521)	(2,465)
Balance brought forward		<u>1,036</u>	<u>3,501</u>
Balance carried forward		<u>(1,485)</u>	<u>1,036</u>

RUNTEAM LIMITED**BALANCE SHEET****30 JUNE 2012**

	Note	2012 £	£	2011 £	£
FIXED ASSETS					
Tangible assets	4		1		1
CURRENT ASSETS					
Debtors	5	925		870	
Cash at bank		<u>1,292</u>		<u>2,568</u>	
		2,217		3,438	
CREDITORS: Amounts falling due within one year	6	<u>3,700</u>		<u>2,400</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(1,483)</u>		<u>1,038</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(1,482)</u>		<u>1,039</u>
CAPITAL AND RESERVES					
Called-up equity share capital	9		3		3
Profit and loss account			<u>(1,485)</u>		<u>1,036</u>
(DEFICIT)/SHAREHOLDER'S FUNDS			<u>(1,482)</u>		<u>1,039</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act

The directors acknowledge their responsibilities for

- (i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements 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 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the directors and authorised for issue on 13 November 2012, and are signed on their behalf by



Mr Timothy Burrill

Company Registration Number 04012093

RUNTEAM LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 JUNE 2012****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 April 2008)

Finance lease agreements

Where the company enters into a lease, which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the Profit and Loss Account on a straight-line basis, and the capital element which reduces the outstanding obligation for future instalments.

Where the company has entered into a sale and leaseback agreement, the finance lease is matched by secured deposit such that interest earned on the deposit will cover the interest charge on the finance lease over the term of the lease. The deposit is only to be used to settle the finance lease liability and therefore it has been offset with the finance lease creditor to show the net unmatched liability at the year end. Similarly, the interest earned on the deposit is offset against the interest charges within the lease payment.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

RUNTEAM LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 JUNE 2012****1. ACCOUNTING POLICIES** *(continued)***Tangible fixed assets and depreciation**

Tangible fixed asset is stated at cost less depreciation. Depreciation is provided in accordance with the cost recovery method whereby depreciation is taken to the profit and loss account on the same basis as the income receivable in the accounting period.

2. OPERATING LOSS

Operating loss is stated after charging/(crediting)

	2012 £	2011 £
Directors' remuneration	—	—
Net loss/(profit) on foreign currency translation	<u>2</u>	<u>(2)</u>

3. INTEREST RECEIVABLE

	2011 £	2010 £
Bank interest receivable	2	4
Secured bank deposit interest	625,290	719,575
Finance lease charge	<u>(625,290)</u>	<u>(719,575)</u>
	<u>2</u>	<u>4</u>

4. TANGIBLE FIXED ASSETS

	Film asset £
COST	
At 1 July 2011 and 30 June 2012	<u>24,867,687</u>
DEPRECIATION	
At 1 July 2011 and 30 June 2012	<u>24,867,686</u>
NET BOOK VALUE	
At 30 June 2012	<u>1</u>
At 30 June 2011	<u>1</u>

The film asset is held under a finance lease

5. DEBTORS

	2012 £	2011 £
Prepayments and accrued income	<u>925</u>	<u>870</u>

RUNTEAM LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 JUNE 2012****6. CREDITORS: Amounts falling due within one year**

	2012	2011
	£	£
Other creditors	2,500	—
Accruals and deferred income	1,200	2,400
	<u>3,700</u>	<u>2,400</u>

7. COMMITMENTS UNDER FINANCE LEASE AGREEMENT

Future commitments under finance lease agreements are as follows

	2011	2010
	£	£
Amounts payable within 1 year	2,659,763	2,533,108
Amounts payable between 2 to 5 years	8,804,149	11,463,912
Amounts payable after more than 5 years	—	—
	<u>11,463,912</u>	<u>13,997,020</u>
Less interest and finance charges relating to future periods	(1,450,248)	(2,106,044)
	<u>10,013,664</u>	<u>11,890,976</u>
Less secured bank deposit	<u>(10,013,664)</u>	<u>(11,890,976)</u>
	<u>—</u>	<u>—</u>

The finance lease is matched by secured bank deposit such that the principal on deposit and the interest earned will be sufficient to cover the rental obligations on the finance lease until the end of the lease

The deposit is only to be used to settle the finance lease liability and therefore it does not represent separate asset and liability. Consequently, it has been netted off with the finance lease creditor to show the net unmatched liability at the year-end

8. RELATED PARTY TRANSACTIONS

The company was under the control of Mr Timothy Burrill throughout the current and previous year. Mr Burrill is the managing director and majority shareholder.

During the year, the company received financial support from Runteam II Limited, by way of an interest free loan of £2,500, which is repayable on demand. The full amount is owed to Runteam II Ltd the balance sheet date. Mr Timothy Burrill is a director of Runteam II Ltd.

9. SHARE CAPITAL

Allotted, called up and fully paid:

	2012		2011	
	No	£	No	£
3 Ordinary shares of £1 each	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>