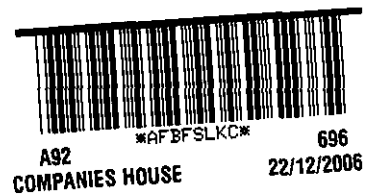


CULTURAL EXPRESSIONS LIMITED

Company Number 4152735

FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 28TH FEBRUARY 2006

BALDWIN SCOFIELD & CO
CHARTERED ACCOUNTANTS



CULTURAL EXPRESSIONS LIMITED

LEGAL AND ADMINISTRATIVE DETAILS

PRINCIPAL OBJECT: Importing and selling craft products

COMPANY REGISTRATION NO: 4152735

DIRECTORS: F P Smith
J Smith

SECRETARY: F P Smith

REGISTERED OFFICE: Unit 3 Newhouse Business Centre
Old Crawley Road
Horsham, West Sussex
RH12 4RU

BANKERS: The Co-operative Bank Plc
PO Box 250
Delf House
Skelmersdale
WN8 6WT

ACCOUNTANTS: Baldwin Scofield & Co
Chartered Accountants
Unit 3 Newhouse Business Centre
Old Crawley Road
Horsham, West Sussex
RH12 4RU

CULTURAL EXPRESSIONS LIMITED

FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 28TH FEBRUARY 2006

CONTENTS

1. Directors' Report
2. Accountants' Report
3. Profit and Loss Account
4. Balance Sheet
5. Notes to Accounts

The following page does not form part of the Statutory Accounts

6. Trading and Profit and Loss Account

CULTURAL EXPRESSIONS LIMITEDDIRECTORS' REPORT
FOR THE YEAR ENDED 28TH FEBRUARY 2006

The directors presents their annual report on the affairs of the company together with the annual accounts for the above period.

PRINCIPAL ACTIVITY

The principal activity is importing and selling craft products.

DIRECTORS

The directors of the company and their interests in the shares of the company are set out below.

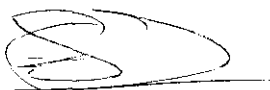
	Ordinary Shares of £1 each	
	28.2.06	28.2.05
F P Smith	1	1
J Smith	1	1

DONATIONS

No charitable or political donations were made during the period.

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

Approved by the board on 11.12.2006
and signed on its behalf by:



F P Smith
Director

CHARTERED ACCOUNTANTS REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED ACCOUNTS OF
CULTURAL EXPRESSIONS LIMITED

In accordance with the engagement letter, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the profit and loss account, balance sheet and related notes from the accounting records and information and explanations you have given to us.

This report is made to the company's board of directors, as a body, in accordance with the terms of engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's board of directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet for the year ended 28th February 2006 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Baldwin Scofield & Co

BALDWIN SCOFIELD & CO
Chartered Accountants
Unit 3 Newhouse Business Centre
Old Crawley Road
Horsham, West Sussex
RH12 4RU

Date 20 December 2006.

CULTURAL EXPRESSIONS LIMITEDPROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 28TH FEBRUARY 2006

	<u>Notes</u>	<u>2006</u> £	<u>2005</u> £
Turnover		8,382	11,756
Direct Costs		6,527	7,199
Gross Profit/(Loss)		1,855	4,557
Administration Costs		2,566	3,136
Operating Profit/(Loss)	2	(711)	1,421
Interest Receivable		99	75
		(612)	1,496
Interest Payable		833	546
Profit/(Loss) on Ordinary Activities before Taxation		(1,445)	950
Tax on Ordinary Activities	4	-	-
Profit/(Loss) on Ordinary Activities after Taxation		(1,445)	950

The notes form an integral part of these accounts


CULTURAL EXPRESSIONS LIMITEDBALANCE SHEET
AS AT 28TH FEBRUARY 2006

	<u>Notes</u>	<u>£</u>	<u>2006</u> <u>£</u>	<u>£</u>	<u>2005</u> <u>£</u>
FIXED ASSETS					
Tangible Fixed Assets	5		922		470
CURRENT ASSETS					
Stock	6	12,255		7,592	
Debtor	7	-		2,389	
Cash at Bank and in Hand		5,770		9,219	
		18,025		19,200	
CREDITORS					
Amounts due within 1 year	8	8,777		7,944	
NET CURRENT ASSETS/(LIABILITIES)					
			9,248		11,256
			10,170		11,726
CREDITORS					
Amounts due after more 1 year	8		18,488		18,599
			(8,318)		(6,873)
CAPITAL AND RESERVES					
Share Capital	10		2		2
Reserves	11		(8,320)		(6,875)
			(8,318)		(6,873)

The directors have taken advantage of section 249A(1) of the Companies Act 1985 in not having these accounts audited. No notice has been deposited under section 249B(2) of the Companies Act 1985. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985 and for 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 (loss) for the financial year in accordance with the requirements of section 226 of the Act, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities (effective January 2005).

Approved by the board on 11.12.2006 and signed on its behalf by:



F P Smith
Director

CULTURAL EXPRESSIONS LIMITED
NOTES TO ACCOUNTS
FOR THE YEAR ENDED 28TH FEBRUARY 2006

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1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historic cost convention and the Financial Reporting Standard for Smaller Entities (effective January 2005).

Turnover

Represents fees and commissions, excluding VAT, receivable.

Depreciation

Depreciation of tangible fixed assets is provided at the following annual rates in order to write off each asset over its estimated useful life:

Equipment 25% on cost

Stock

Stock is valued at the lower of cost and net realisable value, after making allowance for obsolete and slow moving items.

Deferred tax

Provision is made for deferred tax in respect of all material timing differences that have originated but not reversed by the balance sheet date. Deferred tax is not recognised when assets are revalued unless, by the balance sheets date, the company has entered into a binding agreement to sell the assets and recognised the gains and losses expected to arise on sale or where assets have been sold and it is expected that a taxable gain will be rolled over into a replacement asset.

2. OPERATING PROFIT/(LOSS)

The operating profit/(loss) is stated after charging:

	<u>2006</u>	<u>2005</u>
	£	£
Depreciation on tangible fixed assets	348	124

3. DIRECTORS REMUNERATION

There were no payments to the directors during the year.

4. TAXATION

There is no liability for corporation tax.

CULTURAL EXPRESSIONS LIMITED
NOTES TO ACCOUNTS
FOR THE YEAR ENDED 28TH FEBRUARY 2006

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5. TANGIBLE FIXED ASSETS

	<u>Equipment</u>	<u>Total</u>
	<u>£</u>	<u>£</u>
Cost		
At 1.3.05	594	594
Additions	800	800
Disposals	-	-
	<hr/>	<hr/>
At 28.2.06	1,394	1,394
	<hr/>	<hr/>
Depreciation		
At 1.3.05	124	124
Annual Charge	348	348
On Disposals	-	-
	<hr/>	<hr/>
At 28.2.06	472	472
	<hr/>	<hr/>
Net Book Value		
At 28.2.06	922	922
	<hr/>	<hr/>
At 28.2.05	470	470
	<hr/>	<hr/>

6. STOCK

	<u>2006</u>	<u>2005</u>
	<u>£</u>	<u>£</u>
Goods at cost	12,255	7,592
	<hr/>	<hr/>

7. DEBTORS

	<u>2006</u>	<u>2005</u>
	<u>£</u>	<u>£</u>
Trade Debtors	-	2,389
	<hr/>	<hr/>

8. CREDITORS

	<u>2006</u>	<u>2005</u>
	<u>£</u>	<u>£</u>
Amounts due within one year:		
Borrowing (see note 9)	5,000	5,000
Accruals	3,777	2,949
	<hr/>	<hr/>
	8,777	7,949
	<hr/>	<hr/>
Amounts due after more than one year:		
Borrowing (see note 9)	18,488	18,599
	<hr/>	<hr/>

CULTURAL EXPRESSIONS LIMITED
NOTES TO ACCOUNTS
FOR THE YEAR ENDED 28TH FEBRUARY 2006

9. BORROWING

	<u>2006</u>	<u>2005</u>
	<u>£</u>	<u>£</u>
Amounts due within one year:		
Loan	5,000	5,000
Amounts due after more than one year:		
Loan	14,350	14,350
Directors Current Account	4,138	4,249
	<u>18,488</u>	<u>18,599</u>

10. SHARE CAPITAL

	<u>2006</u>	<u>2005</u>
	<u>£</u>	<u>£</u>
Allotted, issued and fully paid		
Ordinary shares of £1 each	2	2

11. RESERVES

	<u>2006</u>	<u>2005</u>
	<u>£</u>	<u>£</u>
Retained Profit/(Loss) for the period	(1,445)	950
Retained Profits/(Losses) bfw	(6,875)	(7,825)
Retained Profits/(Losses) cfwd	<u>(8,320)</u>	<u>(6,875)</u>