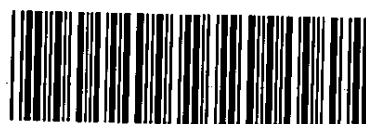


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LUMINAR DANCING FINANCE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
28 FEBRUARY 2008

LUMINAR DANCING FINANCE

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LUMINAR DANCING FINANCE

DIRECTORS, OFFICERS AND ADVISORS

Company Registration Number

4836870

Registered Office

**Luminar House
Deltic Avenue
Rooksley
Milton Keynes
Buckinghamshire
MK13 8LW**

Directors

**A Marks
T O’Gorman**

Company Secretary

T O’Gorman

Solicitors

**CMS Cameron McKenna LLP
Mitre House
160 Aldersgate Street
London
EC1A 4DD**

Independent Auditors

**PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
10 Bricket Road
St Albans
Herts
AL1 3JX**

LUMINAR DANCING FINANCE**DIRECTORS' REPORT FOR THE YEAR ENDED 28 FEBRUARY 2008**

The Directors present their annual report and the audited financial statements of the Company for the year ended 28 February 2008.

Principal activities

The Company is principally engaged in intra-group financing activities and acts as an intermediate group holding company. In the prior year on 10 October 2006, the Company was re-registered and incorporated as unlimited.

Review of the business and future developments

The Company acts as a holding company for investments in Luminar group companies and provides intra-group finance to other Luminar group companies.

In the prior year, the Company subscribed for share capital in Luminar Finance (2006) Limited in Yen. On the same day, the Company entered into two forward exchange contracts, in order to hedge against the Yen investment with Luminar Dancing (2006) Limited and Luminar Entertainment (2006) Limited. Under the currency swap transactions due to be undertaken on 19 October 2007, the Company was obliged to pay Luminar Dancing (2006) Limited and Luminar Entertainment (2006) Limited ¥26,214,371,600 and ¥17,791,684,240 respectively and receive £123,541,975 and £83,847,892 respectively.

On 19 October 2007 Luminar Dancing (2006) Limited agreed to net settle the swap balances with the Company, and Luminar Entertainment (2006) Limited agreed to do the same. This left an outstanding intercompany balance due to the Company from Luminar Dancing (2006) Limited of £13,572,686 and from Luminar Entertainment (2006) Limited of £9,211,777. These balances arose due to favourable movements in the Yen to sterling exchange rate during the life of the swap, compared to the fixed rate under the currency swap, and hence have been recorded as exchange gains within interest receivable.

On the same day, Luminar Group Holdings plc replaced the previous holding company (formerly known as Luminar plc) as the listed holding company for the Group.

During February 2008 the Luminar Group Holdings plc group underwent a reorganisation which involved the change in ownership of many subsidiary companies, to align the corporate structure with the strategic objectives of the Group.

Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks as the purpose of the entity is to provide funds to other trading entities within the Luminar group. Discussion of the risks and uncertainties, in the context of the group as a whole, is provided in the Luminar Group Holdings plc 2008 annual report which does not form a part of this report.

Key performance indicators

The Company's Directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the Company. The development, performance and position of the Luminar Group are discussed in the Luminar Group Holdings plc 2008 annual report which does not form a part of this report.

Results and dividends

The profit for the year is set out in the profit and loss account on page 4. The Directors do not propose a dividend for the year (2007: £nil).

Directors

The Directors who held office during the year and up to the date of signing these financial statements are given below:

A Marks
T O'Gorman

LUMINAR DANCING FINANCE**DIRECTORS' REPORT FOR THE YEAR ENDED 28 FEBRUARY 2008 (CONTINUED)**

Statement of Directors' responsibilities in respect of the Annual Report and the financial statements

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). The financial statements are required by law to 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 those 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, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 1985. 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.


Disclosure of information to auditors

Each of the persons who is a Director at the date of approval of this report confirms that so far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and all the appropriate steps have been taken to make themselves aware of any relevant audit information (that is, relevant to the preparation of the auditors' report) and to establish that the Company's auditors are aware of that information.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and a resolution concerning their reappointment will be proposed to the Annual General Meeting.

By order of the Board


T O'Gorman
Company Secretary
15 December 2008

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LUMINAR DANCING FINANCE

We have audited the financial statements of Luminar Dancing Finance for the year ended 28 February 2008 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of Directors and auditors

The Directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion


We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 28 February 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
St Albans

17 December 2008

LUMINAR DANCING FINANCE

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 28 FEBRUARY 2008

Continuing operations	Note	Year ended 28 February 2008			Year ended 1 March 2007		
		Pre- exceptional items £m	Exceptional items £m	Total £m	Pre- exceptional items £m	Exceptional items £m	Total £m
Administrative expenses	3	-	(0.3)	(0.3)	-	(228.4)	(228.4)
Operating loss		-	(0.3)	(0.3)	-	(228.4)	(228.4)
Profit on disposal of investments	3	-	123.0	123.0	-	-	-
Profit on disposal of a business	3	-	-	-	-	0.3	0.3
Income from investments	6	-	-	-	158.9	-	158.9
Interest receivable and similar income	4	22.8	-	22.8	-	-	-
Interest payable and similar charges	7	(13.6)	-	(13.6)	(11.5)	-	(11.5)
Profit / (loss) on ordinary activities before tax		9.2	122.7	131.9	147.4	(228.1)	(80.7)
Tax on profit / (loss) on ordinary activities	8	-	-	-	0.1	(0.1)	-
Profit / (loss) for the financial year	13,14	9.2	122.7	131.9	147.5	(228.2)	(80.7)

The Company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented.

There are no material differences between the profit / (loss) on ordinary activities before taxation and the profit / (loss) for the years stated above and their historical cost equivalents.

LUMINAR DANCING FINANCE**BALANCE SHEET AS AT 28 FEBRUARY 2008**

	Note	28 February 2008 £m	1 March 2007 £m
Fixed assets			
Investments	9	853.0	479.5
Current assets			
Debtors	10	385.6	268.9
Creditors: amounts falling due within one year	11	<u>(1,098.0)</u>	<u>(739.7)</u>
Net current liabilities		<u>(712.4)</u>	<u>(470.8)</u>
Total assets less current liabilities		<u>140.6</u>	<u>8.7</u>
Capital and reserves			
Called up share capital	12	119.0	119.0
Profit and loss reserve	13	21.6	(110.3)
Total shareholders' funds	14	<u>140.6</u>	<u>8.7</u>

The financial statements on pages 4 to 14 were approved by the Board of Directors on 15 December 2008 and were signed on its behalf by:



A Marks
Director

LUMINAR DANCING FINANCE**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2008**

1 Accounting policies

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting standards in the UK.

The following accounting policies have been applied consistently throughout the year in dealing with items which are considered material in relation to the Company's financial statements.

Going concern

At 28 February 2008 the Company has a deficiency of current liabilities over current assets of £712.4m (2007: £470.8m). The financial statements have been prepared on a going concern basis, as Luminar Group Holdings plc has agreed to provide sufficient funds to support the Company for a period of 12 months from the date of signing of the accounts.

Group financial statements

As a wholly owned subsidiary of a company incorporated in the European Union, the Company is exempt from the preparation of group financial statements.

Cash flow statement and related party disclosures

On 19 October 2007 Luminar Group Holdings plc replaced the company formerly known as Luminar plc as the listed holding company for the Group.

At the year end the Company was a wholly owned subsidiary of Luminar Group Holdings plc and was included in the consolidated financial statements of Luminar Group Holdings plc, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (Revised 1996). The Company is also exempt under the terms of paragraph 3(c) of FRS 8 from disclosing related party transactions with entities that are part of the Luminar Group Holdings plc group.

Investments

Investments are stated at cost, less provision for impairment.

Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Full provision is made for timing differences and deferred taxation. Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in years different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates and laws that are expected to apply in the years in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets and liabilities recognised have not been discounted.

LUMINAR DANCING FINANCE**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2008 (CONTINUED)****1 Accounting policies (continued)****Forward contracts**

During the year the Company held foreign currency forward contracts as an economic hedge of the foreign currency exposure arising in its subsidiary. The foreign currency forward contracts are recognised in the balance sheet of the Company at cost, being the premium paid if any, which is amortised to the profit and loss account over the life of the contract. A provision is recognised for losses on the forward contracts, but gains are deferred until realisation unless the contracts are part of the hedge relationship.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange at the year end. Where forward contracts are used to hedge forecast transactions, monetary assets and liabilities are translated at the forward rate. Surpluses and deficits arising from the translation of monetary assets and liabilities and transactions at these rates of exchange are taken into account in determining the profit or loss before taxation.

2 Profit / (loss) on ordinary activities before tax

Auditor remuneration for the year ended 28 February 2008 amounted to £1,000 (2007: £1,000). This was borne by the ultimate parent company.

3 Exceptional charge / (credit)

	Year ended 28 February 2008 £m	Year ended 1 March 2007 £m
Profit on disposal of investments	(123.0)	-
Profit on disposal of a business	-	(0.3)
Impairment of investment in subsidiary undertakings	0.3	228.4
	(122.7)	228.1

The profit on disposal of investments in the current year relates to the sale on 28 February 2008 of ordinary shares in Strobe 3 (formerly Luminar Leisure Limited) to Jam House Holdings Limited for a cash consideration of £364.5m, realising a profit of £104.5m. Also on this date, the Company sold its preference shares in Luminar Dancing (2006) Limited to Luminar Holdings Limited for a cash consideration of £218.5m, realising a profit of £18.5m.

The profit on disposal of a business in the prior year relates to the sale of Candu Entertainment Limited in the year ended 2 March 2006. The profit on disposal recognised in the prior year represents retention monies received from Candu Entertainment Limited not previously recognised which fell due for payment 15 months following completion, given confirmation that there were no outstanding Stamp Duty Land Tax claims.

At the year end, the investment in Fife Group plc was impaired by £0.3m to its carrying value. In the prior year the investments in Luminar Midlands and West, Luminar North, Luminar Dancing Scotland and Luminar South and East were impaired by £24.6m, £9.4m, £6.2m and £188.2m respectively to their carrying value.

LUMINAR DANCING FINANCE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2008 (CONTINUED)

4 Interest receivable and similar income

	Year ended 28 February 2008 £m	Year ended 1 March 2007 £m
Exchange gain realised on forward exchange contracts	22.8	-

The exchange gain on forward exchange contracts arose due to favourable movements in the Yen to sterling exchange rate during the life of the swap, compared to the fixed rate under the currency swap.

5 Directors' emoluments and employee information

For the years ended 28 February 2008 and 1 March 2007, there were no staff costs.

There is no headcount to disclose, as the Company had no employees (2007: none).

None of the Directors received any remuneration for their services to the Company (2007: £nil).

6 Income from investments

	Year ended 28 February 2008 £m	Year ended 1 March 2007 £m
Dividend income from subsidiary undertakings	-	158.5
Preference dividends receivable	-	0.4
	-	158.9

During the prior year, the Company received dividend income from Luminar South and East of £156.7m and £1.8m from Luminar North.

7 Interest payable and similar charges

	Year ended 28 February 2008 £m	Year ended 1 March 2007 £m
Interest payable intercompany loans	13.6	11.5

Interest payable for both the current and prior year is with respect to the £200.0m loan from Luminar Brands Limited Partnership Incorporated to the Company.

LUMINAR DANCING FINANCE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2008 (CONTINUED)

8 Tax on profit / (loss) on ordinary activities**(a) Analysis of charge in the year**

There was no corporation tax charge or recognised or unrecognised deferred tax charge for the year (2007: £nil).

(b) Factors affecting tax charge for the year

The tax assessed for the year is lower (2007: higher) than the standard rate of corporation tax in the UK. The differences are explained as follows:

	Year ended 28 February 2008 £m	Year ended 1 March 2007 £m
Profit / (loss) on ordinary activities before tax	131.9	(80.7)
Profit / (loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2007: 30%)	39.6	(24.2)
Effects of:		
UK dividends receivable	-	(47.7)
Exchange gain not taxable	(4.0)	-
Non-deductible exceptional items	(36.8)	59.4
Tax losses carried forward	-	3.7
Group relief surrendered for no consideration	1.2	12.4
Transfer pricing adjustments	-	(3.6)
Current tax charge for the year	-	-

During the year, it was announced that the corporation tax rate will reduce from 30% to 28% with effect from 1 April 2008. The legislation to enact this change was substantially enacted at the balance sheet date and so this change has been recognised for deferred tax purposes.

LUMINAR DANCING FINANCE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2008 (CONTINUED)

9	Investments	£m
	Shares in group undertakings:	
	Brought forward at 2 March 2007	479.5
	Acquisition of subsidiary undertakings	633.8
	Irredeemable preference shares investment in subsidiary	200.0
	Disposal of subsidiary undertakings	(260.0)
	Disposal of irredeemable preference shares investment	(200.0)
	Impairment	(0.3)
	Carried forward at 28 February 2008	853.0

On 19 October 2006 Luminar Dancing (2006) Limited took out a convertible unsecured loan from the Company for £200.0m due for repayment on 18 October 2007. On 18 October 2007, this loan was converted into 210,600,000 irredeemable preference shares of £0.01 each in accordance with the convertible loan note agreement. On 28 February 2008 the Company sold its preference shares in Luminar Dancing (2006) Limited to Luminar Holdings Limited for a cash consideration of £218.5m.

On 28 February 2008, Strobe 3 (formerly Luminar Leisure Limited) sold its shares in Fife Group plc, Luminar Entertainment Finance, Toolfirst Limited and Northern Leisure Pension Plan Trustees Limited to the Company for £7.5m, £625.0m, £1 and £1 respectively.

On the same day, Strobe 2 (formerly Luminar Limited, and previously Luminar plc), sold its shares in Luminar Entertainment (2006) Limited to the Company for £1.3m. On the same day, Strobe 2 (formerly Luminar Limited) sold its shares in Luminar (Asia) Limited, Rhythm Room Limited, Luminar (Mars 1) Limited, Luminar (Mars 3) Limited, Red Carpet Moments Limited, Luminar (Majestik 1) Limited, Luminar (Majestik 2) Limited and Luminar (Majestik 3) Limited to the Company for £30 in total.

On the same day, Strobe 5 (formerly Northern Leisure Limited) sold its shares in Liquid Nightclub Limited to the Company for £2.

On the same day, the Company sold its shares in Strobe 3 (formerly Luminar Leisure Limited) to Jam House Holdings Limited for £364.5m. The investment was held at £260.0m and therefore a profit on disposal of £104.5m has been recorded.

On the same day, the Company disposed of its investment in Luminar Jersey GP Limited for £1.

At the year end, the investment in Fife Group plc was impaired by £0.3m to its net assets value.

LUMINAR DANCING FINANCE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2008 (CONTINUED)

9 Investments (continued)

Company Name	Country of incorporation	Class of share capital	Proportion held	Nature of Business
Luminar Dancing Scotland	England & Wales	Ordinary	100%	Investment holding
Luminar No 1 Limited	England & Wales	Ordinary	100%	Investment holding
Luminar Midlands and West	England & Wales	Ordinary	100%	Investment holding
Luminar North	England & Wales	Ordinary	100%	Investment holding
Luminar South and East	England & Wales	Ordinary	100%	Investment holding
Fife Group plc	Scotland	Ordinary	100%	Investment holding
Luminar Finance (2006) Limited	England & Wales	Ordinary	100%	Financing Company
Luminar Entertainment Finance	England & Wales	Ordinary	100%	Financing Company
Luminar Entertainment (2006) Limited	England & Wales	Ordinary	100%	Holding Company
Toolfirst Limited	England & Wales	Ordinary	100%	Investment holding
Northern Leisure Pension Plan Trustees Limited	England & Wales	Ordinary	100%	Investment holding
Liquid Nightclub Limited	England & Wales	Ordinary	100%	Investment holding
Luminar (Asia) Limited	England & Wales	Ordinary	100%	Investment holding
Rhythm Room Limited	England & Wales	Ordinary	100%	Investment holding
Red Carpets Moments Limited	England & Wales	Ordinary	100%	Investment holding
Luminar (Mars 1) Limited	England & Wales	Ordinary	100%	Investment holding
Luminar (Mars 3) Limited	England & Wales	Ordinary	100%	Investment holding
Luminar (Majestik 1) Limited	England & Wales	Ordinary	100%	Investment holding
Luminar (Majestik 2) Limited	England & Wales	Ordinary	100%	Licensed premises
Luminar (Majestik 3) Limited	England & Wales	Ordinary	100%	Investment holding

LUMINAR DANCING FINANCE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2008 (CONTINUED)

10 Debtors

	28 February 2008 £m	1 March 2007 £m
Amounts owed by group undertakings	385.3	268.3
Corporation tax debtor	0.3	0.3
Other debtors	-	0.3
	<hr/> 385.6	<hr/> 268.9

On 19 October 2006 Luminar Dancing (2006) Limited took out a convertible unsecured loan from the Company for £200.0m due for repayment on 18 October 2007. On 18 October 2007, this loan was converted into irredeemable preference shares of £0.01 each. On 28 February 2008 the Company sold its preference share investment in Luminar Dancing (2006) Limited to Luminar Holdings Limited for a cash consideration of £218.5m, which was left on intercompany account.

On 28 February 2008, the Company sold its shares in Luminar Jersey GP Limited for £1, which was left on intercompany account.

On the same day the Company sold its shares in Strobe 3 (formerly Luminar Leisure Limited) to Jam House Holdings Limited for £364.5m.

On the same day all group companies assigned their intercompany receivables to Luminar Finance Limited, with the exception of the receivable from Jam House Holdings Limited. This resulted in a £232.0m receivable balance due from Luminar Finance Limited in settlement of the following intercompany accounts:

- £13.6m balance owed from Luminar Dancing (2006) Limited; and
- £218.4m balance owed from Luminar Holdings Limited.

This assignment of intercompany balances had the effect of changing the company to whom the Company owed its intercompany balances to (see note 11). The Company agreed to offset any payable balance against the receivable balance with Luminar Finance Limited.

On the same day subsidiaries of the Company with receivables from Luminar Finance Limited assigned their intercompany balances to the Company. This resulted in a £630.8m increase in the intercompany receivable balance with Luminar Finance Limited and settlement of the following intercompany balances:

- £15.1m owed to Luminar Dancing Scotland;
- £8.1m owed to Luminar Midlands and West;
- £0.4m owed to Luminar North;
- £7.3m owed to Luminar No.1 Limited;
- £2.9m owed to Luminar South and East;
- £380.4m owed to Luminar Entertainment Finance;
- £4.0m owed to Luminar IP;
- £0.2m owed to Luminar Brands;
- £8.6m owed to Fife Group plc;
- £114.2m owed to Luminar Finance (2006) Limited;
- £55.4m owed to Luminar CRC Limited;
- £18.6m owed to Luminar Jaks Limited;
- £11.1m owed to Luminar Life Limited; and
- £4.5m owed to Luminar Jam House Limited.

Amounts due from group undertakings are unsecured and repayable on demand. Interest is charged on the loan amount at LIBOR plus a 0.75% margin. Trading balances and amounts due from dormant group undertakings are non-interest bearing.

LUMINAR DANCING FINANCE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2008 (CONTINUED)

11 Creditors: amounts falling due within one year

	28 February 2008 £m	1 March 2007 £m
Amounts due to group undertakings	1,097.5	739.2
Accruals and deferred income	0.5	0.5
	1,098.0	739.7

On 28 February 2008 Strobe 3 (formerly Luminar Leisure Limited) sold its shares in Fife Group plc, Luminar Entertainment Finance, Toolfirst Limited and Northern Leisure Pension Plan Trustees Limited to the Company for £7.5m, £625.0m, £1 and £1 respectively, with consideration left on intercompany account.

On the same day Strobe 5 (formerly Northern Leisure Limited) sold its shares in Liquid Nightclub Limited to the Company for £2.

On the same day Strobe 2 (formerly Luminar Limited and Luminar plc) sold its shares in Luminar (Asia) Limited, Rhythm Room Limited, Luminar (Mars 1) Limited, Luminar (Mars 3) Limited, Red Carpet Moments Limited, Luminar (Majestik 1) Limited, Luminar (Majestik 2) Limited and Luminar (Majestik 3) Limited to the Company for £30 in total. Strobe 2 also sold its shares in Luminar Entertainment (2006) Limited to the Company for £1.3m. Consideration for these share sales was left on intercompany account.

On the same day all group companies assigned their intercompany receivables to Luminar Finance Limited. This resulted in £852.3m of intercompany payables being settled and the creation of a new intercompany balance with Luminar Finance Limited for the same amount. The following balances were settled:

- £30.3m payable to Strobe 2; and
- £822.0m payable to Strobe 3.

The intercompany payable balance with Luminar Finance Limited was agreed to be offset against the intercompany receivable balance.

At the year end included within amounts due to group undertakings is £215.3m in relation to two loans with Luminar Brands LP Incorporated for £6,000 and £200.0m, plus accrued interest. Interest continues to accrue on these loans at LIBOR plus a margin of 0.9%.

Also included within the year end balance is an amount of £114.3m owed to Luminar Finance (2006) Limited, relating to a £111.5m loan balance plus accrued interest. This balance was assigned from Luminar Dancing (2006) Limited to Luminar Finance Limited, and then assigned onto the Company. Interest continues to be charged in accordance with the original loan agreement at LIBOR plus 0.8%.

All other amounts due to group undertakings are unsecured and repayable on demand. Interest is charged on the loan amount at LIBOR plus a 0.75% margin. Trading balances and amounts due to dormant group undertakings are non-interest bearing.

12 Called up share capital

	28 February 2008		1 March 2007	
	Number	£	Number	£
Authorised				
Voting ordinary shares of £1 each	120,000,000	120,000,000	120,000,000	120,000,000
Allotted, called up, issued and fully paid				
Voting ordinary shares of £1 each	119,000,108	119,000,108	119,000,108	119,000,108

LUMINAR DANCING FINANCE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2008 (CONTINUED)

13 Reserves

	Profit and loss reserve £m
Brought forward at 2 March 2007	(110.3)
Profit for the year	131.9
	<hr/>
Carried forward at 28 February 2008	21.6
	<hr/>
Distributable reserves	(101.4)
Non-distributable reserves	123.0
	<hr/>
Total	21.6
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14 Reconciliation of movements in total shareholders' funds

	28 February 2008 £m	1 March 2007 £m
Profit / (loss) for the financial year	131.9	(80.7)
	<hr/>	<hr/>
Net increase / (decrease) in shareholders' funds	131.9	(80.7)
Opening total shareholders' funds	8.7	89.4
	<hr/>	<hr/>
Closing total shareholders' funds	140.6	8.7
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15 Contingent liabilities

The Company is a guarantor of the Group's new five year syndicated £175.0m revolving facility. The facility expires in August 2012.

16 Ultimate parent undertaking and controlling party

At the year end the ultimate and controlling parent undertaking was Luminar Group Holdings plc, a company incorporated in the United Kingdom, which was the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the Luminar Group Holdings plc financial statements can be obtained from the Company Secretary at Luminar House, Deltic Avenue, Rooksley, Milton Keynes, Buckinghamshire, MK13 8LW.

The immediate parent undertaking of the Company is Luminar Holdings 2 Limited.

During the year Luminar Group Holdings plc replaced the company formerly known as Luminar plc as the listed holding company for the Group.