

THE MUD LIMITED
COMPANY NUMBER 5029870
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST JANUARY 2006



Marriotts
Reporting Accountants
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THE MUD LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2006

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THE MUD LIMITED
DIRECTORS' REPORT

The directors present their report and audited financial statements for the year ended 31st January 2006.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of providing entertainment and catering facilities.

The directors consider the position of the company at 31st January 2006 to be satisfactory. Since the end of the financial year there have been no important events which affect the position shown in the financial statements.

RESULTS AND DIVIDENDS

The loss for the year after taxation and extraordinary items amounted to £(39,252).

FIXED ASSETS

Details of the changes in fixed assets are given in the notes to the accounts.

CLOSE COMPANY STATUS

In the opinion of the directors the company is a close company within the meaning of the Income and Corporation Taxes Act 1970.

TAXATION STATUS

The company is a close company within the provisions of the Income and Corporation Taxes Act 1970.

DIRECTORS

The directors who served during the year and their respective interests in the shares of the company as disclosed in the company's Register of Directors Share Interests were as stated below. These interests were all beneficially held.

	<u>£1 Ordinary Shares</u> <u>2006</u>
H. Bailey Esq.	3,000
Ms. E. Holland	998



THE MUD LIMITED
DIRECTORS' RESPONSIBILITIES & ACCOUNTANTS REPORT

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial period which gives 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 accounts, the directors are required to; select suitable accounting policies and then apply them consistently; make judgements and estimates that are reasonable and prudent; and prepare the accounts 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 will disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts 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.

ACCOUNTANTS' REPORT TO THE MEMBERS OF THE UNAUDITED ACCOUNTS FOR THE MUD LIMITED

We report on the accounts for the year ended 31st January 2006 set out on pages 6 to 15.

BASIS OF OPINION

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company and making such limited enquiries of the company as we considered necessary for the purpose of this report. These procedures provide only the assurance expressed in our opinion.

THE MUD LIMITED
DIRECTORS' RESPONSIBILITIES & ACCOUNTANTS' REPORT - continued

OPINION

In our opinion:-

- a. the accounts are in agreement with the accounting records kept by the company under Section 221 of the Companies Act 1995;
- b. having regard only to and on the basis of the information contained in those accounting records;
 1. the accounts have been drawn up in a manner consistent with the provisions specified in Section 249 (6) of the Act; and
 2. the company satisfies the requirements for exemption from an audit of the accounts for the year specified in Section A(4) of the Act and did not at any time within the year fall within any of the categories of companies not entitled to the exemption specified in Section 249A(1)(f).

Maath
Marriotts

Marriotts
Reporting Accountants
May 2006

THE MUD LIMITED
ACCOUNTING POLICIES
FOR THE YEAR ENDED 31ST JANUARY 2006

BASIS OF ACCOUNTING

The financial statements have been prepared on the historical cost basis of accounting.

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost related depreciation.

Depreciation is calculated so that the plant, equipment and vehicles etc. are written off on the following bases and rates:-

Office equipment	20% on a reducing basis
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STOCKS

Stocks comprising goods held for resale are stated in the balance sheet at the lower of cost and net realisable value.

DEFERRED TAXATION

Deferred taxation, if appropriate, is provided on the liability method to take account of timing differences arising between the treatment of items for accounts purposes and their treatment for taxation purposes except where it can be reasonably demonstrated that no corporation tax liability will arise in the foreseeable future.

TURNOVER

Turnover represents the amounts invoiced less returns, excluding value added tax, in respect of sale of services to customers during the year.

THE MUD LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST JANUARY 2006

		<u>2006</u>
	<u>Notes</u>	<u>£</u>
TURNOVER		475,989
Net operating expenses	1	515,512
		—
OPERATING PROFIT/(LOSS)		(39,523)
Other income	3	271
		—
PROFIT/(LOSS) BEFORE INTEREST PAYABLE		(39,252)
Interest payable	4	-
		—
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		(39,252)
Taxation	5	-
		—
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		(39,252)
Dividends		-
		—
RETAINED PROFIT/(LOSS) FOR YEAR		(39,252)
		=====

THE MUD LIMITED
BALANCE SHEET
AS AT 31ST JANUARY 2006

		<u>2006</u>	
	<u>Note</u>	<u>£</u>	<u>£</u>
FIXED ASSETS	6		28,930
CURRENT ASSETS			
Stock	7	10,000	
Debtors	8	2,541	
Bank & cash in hand	9	22,071	
		<hr/>	
			34,612
CURRENT LIABILITIES - CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR	10	59,152	
		<hr/>	
NET CURRENT ASSETS/(LIABILITIES)			(24,540)
			<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,390
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (INCLUDING LOANS)			33,644
PROVISIONS FOR LIABILITIES & CHARGES			-
			<hr/>
NET ASSETS/(LIABILITIES)			(29,254)
CAPITAL AND RESERVES			<hr/>
Called-up share capital	11	9,998	
Profit and loss account	12	(39,252)	
		<hr/>	
			(29,254)
			<hr/>

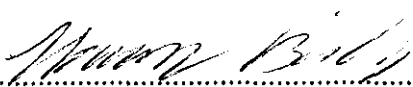
THE MUD LIMITED
BALANCE SHEET
AS AT 31ST JANUARY 2006 - continued

In approving these financial statements as directors of the company we hereby confirm that for the year in question the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985.

We further confirm that no notice has been deposited at the Registered Office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31st January 2006 acknowledge our responsibilities for ensuring that the company keeps accounting records which comply with Section 221 and for preparing accounts which are 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 year then ended and which otherwise comply with the provisions of the Companies Act relating to accounts so far as applicable to the company.

In preparing these accounts, the Directors have taken advantage of the exemptions applicable to small companies conferred by Section A of part iii of Schedule 8 to the Companies Act 1985 and have done so on the basis that in their opinion the company satisfies the criteria for exemption as a small company.

These accounts were approved by the Board of Directors on

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Director

THE MUD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2006

1.	NET OPERATING EXPENSES	<u>2006</u>
		<u>£</u>
	Raw materials	147,396
	Staff costs (see note 2)	110,893
	Depreciation of and amounts written off fixed assets:	
	Charge for year	7,233
	Other operating charges	249,990
		—
		515,512
		—
	Other operating charges are stated after charging: Auditors' remuneration (including expenses)	2,500
		—
		<u>2006</u>
		<u>Number</u>
2.	DIRECTOR AND EMPLOYEES	
	The average number of persons (including director) employed by the company during the year was:	
	Sales and service	14
	Administration	2
		—
		16
		—
		<u>2006</u>
		<u>£</u>
	Staff cost for the above persons:	
	Wages and salaries	88,844
	Social security costs	22,049
		—
		110,893
		—
	The remuneration paid to director (including pension contributions) was:	24,193
		—

THE MUD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2006 - continued

	<u>2006</u>
	<u>£</u>
3. OTHER INCOME	
Income from fixed asset investments	271
Rent received	-
Fees earned	-
	<hr/>
	271
	<hr/>
	<u>2006</u>
	<u>£</u>
4. INTEREST PAYABLE	
On bank overdraft and loans	-
Repayable within five years not by instalments	-
Repayable within five years by instalments	-
	<hr/>
	-
	<hr/>
5. TAXATION ON ORDINARY ACTIVITIES	<u>2006</u>
	<u>£</u>
No taxation arises on the results shown in these financial statements.	
Charge for year	-
	<hr/>

THE MUD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2006 - continued

6. TANGIBLE FIXED ASSETS

	<u>Equipment</u>	<u>Furniture & Fixtures</u>	<u>Total</u>
<u>Cost or valuation</u>			
At 1 st February 2005	-	-	-
Additions during year	31,660	4,503	36,163
Disposals	-	-	-
At 31 st January 2006	31,660	4,503	36,163
<u>Depreciation</u>			
At 1 st February 2005	-	-	-
Charge for year	6,332	901	7,233
At 31 st January 2006	6,332	901	7,233
<u>Net book value</u>			
At 31 st January 2006	25,328	3,602	28,930

7. STOCKS

2006

£

Stocks comprise:-

Manufacturing parts

12,000

THE MUD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST JANUARY 2006 - continued

	<u>2006</u>
	<u>£</u>
8. CAPITAL COMMITMENTS	
Capital expenditure that has been contracted for but has not been provided for in the financial statements	-
	<hr/>
Capital expenditure that has been authorised by the Director but has not yet been contracted for-	-
	<hr/>
	<u>2006</u>
	<u>£</u>
9. DEBTORS	
Amounts falling due within one year:	
Trade debtors	-
Sundry debtors	2,541
Prepayments	-
	<hr/>
	2,541
	<hr/>

THE MUD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2006 - continued

	<u>2006</u>
	<u>£</u>
10. CREDITORS	
Amounts falling due within one year:	
Trade creditors	30,956
Accruals and deferred charges	2,500
Taxes & Social Security	14,334
Bank loan account	-
Directors current account	11,362
	———
	59,152
	———
10a. CREDITORS	<u>2006</u>
Amounts falling due after more than one year:-	
	<u>£</u>
Loan accounts	33,644
	———
	<u>2006</u>
	<u>£</u>
11. CALLED-UP SHARE CAPITAL	
<u>Authorised</u>	
9,998 ordinary shares of £1 each	9,998
	———
<u>Allotted, called-up and fully paid</u>	
9,998 ordinary shares of £1 each	9,998
	———

THE MUD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST JANUARY 2006 - continued

	<u>2006</u>
	<u>£</u>
12. RESERVES	
Retained profit/(loss) for year	(39,252)
	—
At 31 st January 2006	(39,252)
	—