

COMPANIES HOUSE

BUTTERFLY WORLD LIMITED

UNAUDITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 MARCH 2005**

Registered number: 02249318



BUTTERFLY WORLD LIMITED

COMPANY INFORMATION

DIRECTOR	G S Welsh
SECRETARY	Mrs P Welsh
COMPANY NUMBER	02249318
REGISTERED OFFICE	Preston Park Yarm Road Stockton on Tees TS18 3RH
ACCOUNTANTS	Horwath Clark Whitehill (North East) LLP Chartered Accountants Oakland House 40 Victoria Road Hartlepool TS26 8DD

BUTTERFLY WORLD LIMITED

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BUTTERFLY WORLD LIMITED

DIRECTOR'S REPORT For the year ended 31 March 2005

The director presents his report and the financial statements for the year ended 31 March 2005.

PRINCIPAL ACTIVITIES

The company's principal activity during the year was that of a butterfly farm.

DIRECTOR

The director who served during the year and his beneficial interest in the company's issued share capital was:

	Ordinary shares of £1 each	
	<u>31/3/05</u>	<u>1/4/04</u>
G S Welsh	50	50

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

This report was approved by the board on

01.06.06
and signed on its behalf.


G S Welsh
Director

ACCOUNTANTS' REPORT TO THE DIRECTOR
ON THE UNAUDITED FINANCIAL STATEMENTS OF BUTTERFLY WORLD LIMITED

In accordance with the engagement letter dated May 2006, 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, the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the Company's director, in accordance with the terms of our 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 director that we have done so, and state those matters that we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's director, 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 the financial statements.

You have acknowledged on the balance sheet as at 31 March 2005 your duty to ensure that the company has kept proper accounting records and to prepare the 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.

Horwath Clark Whitehill (North East) LLP

Horwath Clark Whitehill (North East) LLP

Chartered Accountants

HARTLEPOOL

20 June 2006

BUTTERFLY WORLD LIMITED**PROFIT AND LOSS ACCOUNT**
For the year ended 31 March 2005

	Note	2005 £	2004 £
TURNOVER	1	84,298	57,312
Cost of sales		<u>(13,601)</u>	<u>(16,271)</u>
GROSS PROFIT		70,697	41,041
Administrative expenses		<u>(56,127)</u>	<u>(52,090)</u>
OPERATING PROFIT/(LOSS)	3	14,570	(11,049)
Interest payable		<u>(272)</u>	<u>(241)</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		14,298	(11,290)
TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES		<u>-</u>	<u>-</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		<u>14,298</u>	<u>(11,290)</u>

The notes on pages 5 to 8 form part of these financial statements.

BUTTERFLY WORLD LIMITED

BALANCE SHEET As at 31 March 2005

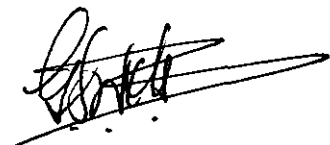
	Note	2005 £	2004 £
FIXED ASSETS			
Tangible fixed assets	4	72,320	78,158
CURRENT ASSETS			
Stocks		2,156	2,056
Debtors	5	-	10,000
Cash in hand		63	144
		<u>2,219</u>	<u>12,200</u>
CREDITORS: amounts falling due within one year	6	<u>(14,921)</u>	<u>(37,438)</u>
NET CURRENT LIABILITIES		<u>(12,702)</u>	<u>(25,238)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>59,618</u>	<u>52,920</u>
CREDITORS: amounts falling due after more than one year	7	<u>(95,373)</u>	<u>(102,973)</u>
NET LIABILITIES		<u>(35,755)</u>	<u>(50,053)</u>
CAPITAL AND RESERVES			
Called up share capital	8	100	100
Profit and loss account	11	(35,855)	(50,153)
SHAREHOLDERS' FUNDS		<u>(35,755)</u>	<u>(50,053)</u>

The director considers that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 249B(2) of the Act. The director acknowledges his responsibility for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2005 and of its profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the board on 01.06.06 and signed on its behalf.

G S Welsh
Director



The notes on pages 5 to 8 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2005

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.3 Turnover

Turnover represents amounts received in relation to entrance fees, shop sales and feed sales made by the company, exclusive of Value Added Tax.

1.4 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Buildings and leasehold land	-	21 years straight line
Plant and machinery	-	10% reducing balance
Computer equipment	-	4 years straight line
Fixtures and fittings	-	10% reducing balance

1.5 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account on the straight line basis over the lease term.

1.6 Stocks

Stocks are stated at the lower of cost and net realisable value.

1.7 Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions.

2. GOING CONCERN

The accounts have been prepared on a going concern basis which is considered appropriate by the director due to the continued support from the director himself and providers of loan finance. At 31 March 2005 the director was owed £35,915 and the providers of loan finance £59,458. These amounts are included in the creditors due after more than one year.

3. OPERATING PROFIT/(LOSS)

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

	2005	2004
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	6,118	6,186
	<u> </u>	<u> </u>

During the year, no director received any emoluments (2004 - £Nil).

BUTTERFLY WORLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2005

4. TANGIBLE FIXED ASSETS

	Freehold buildings	Fixtures, fittings, plant and machinery & livestock	Total
	£	£	£
Cost			
At 1 April 2004	108,952	46,673	155,625
Additions	-	280	280
At 31 March 2005	108,952	46,953	155,905
Depreciation			
At 1 April 2004	61,868	15,599	77,467
Charge for the year	5,191	927	6,118
At 31 March 2005	67,059	16,526	83,585
Net book value			
At 31 March 2005	41,893	30,427	72,320
At 31 March 2004	47,084	31,074	78,158

5. DEBTORS

	2005 £	2004 £
Due within one year		
Other debtors	-	10,000

6. CREDITORS:
Amounts falling due within one year

	2005 £	2004 £
Bank overdraft (Note 10)	8,703	7,293
Trade creditors	2,339	15,521
Social security and other taxes	1,488	11,968
Other creditors	2,391	2,656
	14,921	37,438

BUTTERFLY WORLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2005

7. CREDITORS:
Amounts falling due after more than one year

	2005	2004
	£	£
Other loans	59,458	59,458
Directors loan (Note 10)	35,915	43,515
	<u>95,373</u>	<u>102,973</u>

8. SHARE CAPITAL

	2005	2004
	£	£
Authorised		
20,000,000 Ordinary shares of £1 each	<u>20,000,000</u>	<u>20,000,000</u>
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

9. OPERATING LEASE COMMITMENTS

At 31 March 2005 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2005	2004
	£	£
Expiry date:		
After more than 5 years	<u>6,500</u>	<u>10,000</u>

10. RELATED PARTY TRANSACTIONS

Directors current account

At 31 March 2005 the company owed G S Welsh, the director £35,915 (1 April 2004: £43,515).

Loans

The company owes £31,458 (1 April 2004: £31,458) to P Hill, a shareholder and a former director.

Bank overdraft

G S Welsh has given a personal guarantee against the overdraft.

BUTTERFLY WORLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2005

11. RESERVES

Profit and loss account

£

At 1 April 2004

(50,153)

Profit retained for the year

14,298

At 31 March 2005

(35,855)