

BUTTERFLY WORLD LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

Registered number: 02249318

TUESDAY



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BUTTERFLY WORLD LIMITED

COMPANY INFORMATION

DIRECTORS	Miss H A Welsh Mrs P A Welsh
COMPANY SECRETARY	Mrs P A Welsh
COMPANY NUMBER	02249318
REGISTERED OFFICE	Preston Park Yarm Road TS18 3RH
ACCOUNTANTS	Waltons Clark Whitehill LLP Chartered Accountants Oakland House 40 Victoria Road Hartlepool TS26 8DD

BUTTERFLY WORLD LIMITED

CONTENTS

	Page
Directors' report	1
Accountants' report	2
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5 - 8
 The following pages do not form part of the statutory financial statements	
Detailed profit and loss account and summaries	9 - 10

BUTTERFLY WORLD LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2010**

The directors present their report and the financial statements for the year ended 31 March 2010

PRINCIPAL ACTIVITIES

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

DIRECTORS

The directors who served during the year were

Miss H A Welsh
Mrs P A Welsh

ACCOUNTANTS

As result of a change in accountants name, from 1 October 2010, Horwath Clark Whitehill (North East) LLP became Waltons Clark Whitehill LLP

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board on *5/12/10* ✓ and signed on its behalf

Mrs P A Welsh
Director

P A Welsh

BUTTERFLY WORLD LIMITED

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF BUTTERFLY WORLD LIMITED

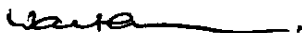
In accordance with our engagement letter, and in order to assist you to fulfil your duties under the Companies Act 2006, we have compiled the financial statements of the company which comprise the profit and loss account, the balance sheet and the related notes from the accounting records and information and explanations you have given to us

This report is made to the company's Board of Directors, as a body, 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 Board of Directors 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 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 as at 31 March 2010 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 2006. 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.



Waltons Clark Whitehill LLP

Chartered Accountants

HARTLEPOOL

14 December 2010.

BUTTERFLY WORLD LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2010**

	Note	2010 £	2009 £
TURNOVER	1	91,597	81,958
Cost of sales		(23,143)	(19,826)
		<hr/>	<hr/>
GROSS PROFIT		68,454	62,132
Administrative expenses		(62,203)	(55,710)
		<hr/>	<hr/>
OPERATING PROFIT	2	6,251	6,422
Interest payable and similar charges		(31)	(169)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		6,220	6,253
Tax on profit on ordinary activities	4	-	-
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR	10	6,220	6,253
		<hr/>	<hr/>

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

BUTTERFLY WORLD LIMITED
REGISTERED NUMBER: 02249318

BALANCE SHEET
AS AT 31 MARCH 2010

	Note	2010 £	2009 £
FIXED ASSETS			
Tangible assets	5	53,957	60,632
CURRENT ASSETS			
Stocks		1,500	1,500
Debtors	6	888	-
Cash at bank and in hand		6,516	140
		<u>8,904</u>	<u>1,640</u>
CREDITORS: amounts falling due within one year	7	<u>(8,259)</u>	<u>(11,519)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>645</u>	<u>(9,879)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>54,602</u>	<u>50,753</u>
CREDITORS: amounts falling due after more than one year	8	<u>(80,929)</u>	<u>(83,300)</u>
NET ASSETS		<u><u>(26,327)</u></u>	<u><u>(32,547)</u></u>
CAPITAL AND RESERVES			
Called up share capital	9	100	100
Profit and loss account	10	<u>(26,427)</u>	<u>(32,647)</u>
SHAREHOLDERS' DEFICIT		<u><u>(26,327)</u></u>	<u><u>(32,547)</u></u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2010 and of its profit for the year then ended in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

5/12/10

Mrs P A Welsh
Director

P A Welsh

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

BUTTERFLY WORLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

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 April 2008) except as noted in 1.3 below

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts

1.3 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

Freehold buildings	-	21 years straight line
Plant and machinery	-	10% reducing balance
Computer equipment	-	4 years straight line
Fixtures and fittings	-	10% reducing balance

Plants and livestock in the display areas of the company's premises are included at the directors' estimated cost. The purchase of new stock lines is capitalised at cost and not depreciated

Replacements are written off against profit in the accounting period in which they occur

This policy represents a departure from statutory accounting principles, which require depreciation to be provided on all fixed assets. The directors consider that this policy is necessary in order that the financial statements give a true and fair view

1.4 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term

1.5 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads

2. OPERATING PROFIT

The operating profit is stated after charging

	2010 £	2009 £
Depreciation of tangible fixed assets - owned by the company	6,675	6,056

BUTTERFLY WORLD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

3 DIRECTORS' REMUNERATION

	2010 £	2009 £
Aggregate emoluments	<u>9,008</u>	<u>7,482</u>

4 TAXATION

Factors affecting tax charge for the year

At 31 March 2010 there was approximately £125,000 losses to carry forward against future profits

5. TANGIBLE FIXED ASSETS

	Freehold property £	Other fixed assets £	Total £
Cost			
At 1 April 2009 and 31 March 2010	<u>102,952</u>	<u>61,754</u>	<u>164,706</u>
Depreciation			
At 1 April 2009	83,011	21,063	104,074
Charge for the year	4,905	1,770	6,675
At 31 March 2010	<u>87,916</u>	<u>22,833</u>	<u>110,749</u>
Net book value			
At 31 March 2010	<u>15,036</u>	<u>38,921</u>	<u>53,957</u>
At 31 March 2009	<u>19,941</u>	<u>40,691</u>	<u>60,632</u>

6. DEBTORS

	2010 £	2009 £
Other debtors	<u>888</u>	<u>-</u>

BUTTERFLY WORLD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

**7. CREDITORS:
Amounts falling due within one year**

	2010 £	2009 £
Bank overdraft - secured	-	3,792
Trade creditors	3,224	2,133
Social security and other taxes	381	936
Other creditors	4,654	4,658
	<u>8,259</u>	<u>11,519</u>

**8 CREDITORS:
Amounts falling due after more than one year**

	2010 £	2009 £
Other loans	59,458	59,458
Directors loan (Note 12)	21,471	23,842
	<u>80,929</u>	<u>83,300</u>

9. SHARE CAPITAL

	2010 £	2009 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

10. RESERVES

	Profit and loss account £
At 1 April 2009	(32,647)
Profit for the year	6,220
At 31 March 2010	<u>(26,427)</u>

BUTTERFLY WORLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

11. OPERATING LEASE COMMITMENTS

At 31 March 2010 the company had annual commitments under non-cancellable operating leases as follows

	2010 £	2009 £
Expiry date:		
Between 2 and 5 years	<u>6,500</u>	<u>6,500</u>

12 RELATED PARTY TRANSACTIONS

At 31 March 2010 the company owed Mrs P A Welsh, a director and her husband £23,971 of which £2,500 is shown within one year (1 April 2009 £26,342)

13 GOING CONCERN

The financial statements have been prepared on a going concern basis which is considered appropriate by the directors due to the continued support from a director, shareholders and providers of loan finance

They have agreed that they will not withdraw funds(see note 8) for the foreseeable future and therefore these amounts are included in the creditors due after more than one year