

HERITAGE PLAYING CARD COMPANY LIMITED
DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004

Registration number 2878804



Minshalls Limited
Chartered Accountants
370-374 Nottingham Road
Newthorpe
Nottingham
NG16 2ED

HERITAGE PLAYING CARD COMPANY LIMITED**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2004**

The directors present their report and the financial statements for the year ended 31 December 2004.

Principal activity

The principal activity of the company is that of sales and marketing of playing cards.

Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

	<u>Ordinary shares</u>	
	<u>31/12/04</u>	<u>01/01/04</u>
J H Shaw	2,375	2,375
J C Shaw	2,375	2,375
S A Pepperell	125	125

Related party interests

O Pepperell (spouse of Mrs S A Pepperell)	125	125
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This report is 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 12 September 2005 and signed on its behalf by



J H Shaw
Director

Registered office:
370-374 Nottingham Road
Newthorpe
Notts
NG16 2ED

HERITAGE PLAYING CARD COMPANY LIMITED

**ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE
UNAUDITED FINANCIAL STATEMENTS OF HERITAGE PLAYING CARD COMPANY LIMITED**

In order to assist you to fulfill your duties under 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 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 December 2004 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.

A handwritten signature in dark ink, appearing to read 'Minshalls' followed by a stylized flourish or initials.

Minshalls Limited
Chartered Accountants
370-374 Nottingham Road
Newthorpe
NG16 2ED

12 September 2005

HERITAGE PLAYING CARD COMPANY LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2004**

		<u>2004</u>	<u>2003</u>
	<u>Notes</u>	£	£
Turnover	2	762,578	706,138
Cost of sales		<u>(418,659)</u>	<u>(342,284)</u>
Gross profit		343,919	363,854
Selling and distribution costs		(106,108)	(115,224)
Administrative expenses		(202,256)	(202,889)
Other operating income		<u>-</u>	<u>1,200</u>
Operating profit	3	35,555	46,941
Other interest receivable and similar income		185	314
Interest payable and similar charges		<u>(457)</u>	<u>(326)</u>
Profit on ordinary activities before taxation		35,283	46,929
Tax on profit on ordinary activities	5	<u>(6,130)</u>	<u>(9,595)</u>
Profit on ordinary activities after taxation		29,153	37,334
Dividends		<u>(5,000)</u>	<u>-</u>
Retained profit for the year		24,153	37,334
Retained profit brought forward		<u>109,724</u>	<u>72,391</u>
Retained profit carried forward		<u>£133,877</u>	<u>£109,725</u>

The notes on pages 6 to 11 form an integral part of these financial statements.

HERITAGE PLAYING CARD COMPANY LIMITED

BALANCE SHEET
AS AT 31 DECEMBER 2004

	<u>Notes</u>	<u>2004</u>	<u>2003</u>
		£	£
Fixed assets			
Tangible assets	6	29,906	24,955
Current assets			
Stocks		62,327	65,715
Debtors	7	51,829	45,792
Cash at bank and in hand		75,889	58,335
		190,045	169,842
Creditors: amounts falling due within one year	8	(77,888)	(77,739)
Net current assets		112,157	92,103
Total assets less current liabilities		142,063	117,058
Creditors: amounts falling due after more than one year	9	(867)	(282)
Provisions for liabilities and charges	10	(2,319)	(2,051)
Net assets		£138,877	£114,725
Capital and reserves			
Called up share capital	12	5,000	5,000
Profit and loss account		133,877	109,725
Shareholders' funds		£138,877	£114,725

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

HERITAGE PLAYING CARD COMPANY LIMITED

BALANCE SHEET (CONTINUED)

**DIRECTORS' STATEMENTS REQUIRED BY SECTION 249B(4)
FOR THE YEAR ENDED 31 DECEMBER 2004**

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) 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 31 December 2004 and

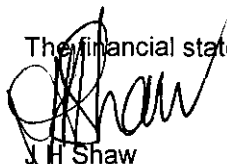
(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements 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 or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are 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 12 September 2005 and signed on its behalf by



J. H. Shaw
Director

HERITAGE PLAYING CARD COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004****1 Accounting policies****1.1 Accounting convention**

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

1.2 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred.

1.3 Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery	-	25% straight line
Office equipment	-	15% reducing balance
Motor vehicles	-	25% reducing balance

1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

1.5 Stock

Stock is valued at the lower of cost and net realisable value.

HERITAGE PLAYING CARD COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004**1.6 Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2 Turnover

Turnover attributable to geographical markets outside the United Kingdom amounted to 61% for the year.

3 Operating profit

	<u>2004</u>	<u>2003</u>
	£	£
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	<u>6,851</u>	<u>5,565</u>

4 Directors' emoluments

	<u>2004</u>	<u>2003</u>
	£	£
Remuneration and other benefits	<u>9,000</u>	<u>9,000</u>

HERITAGE PLAYING CARD COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004

5 Tax on profit on ordinary activities

Analysis of charge in period	<u>2004</u>	<u>2003</u>
	£	£
Current tax		
UK corporation tax	6,435	9,626
Adjustments in respect of previous periods	(573)	-
	<u>5,862</u>	<u>9,626</u>
Total current tax charge	<u>5,862</u>	<u>9,626</u>
Deferred tax		
Timing differences, origination and reversal	268	(31)
Total deferred tax	<u>268</u>	<u>(31)</u>
Tax on profit on ordinary activities	<u>6,130</u>	<u>9,595</u>

6 Tangible fixed assets

	<u>Plant and machinery</u>	<u>Office equipment</u>	<u>Motor vehicles</u>	<u>Total</u>
	£	£	£	£
Cost				
At 1 January 2004	6,913	35,131	12,496	54,540
Additions	5,591	6,211	-	11,802
At 31 December 2004	<u>12,504</u>	<u>41,342</u>	<u>12,496</u>	<u>66,342</u>
Depreciation				
At 1 January 2004	5,682	16,679	7,224	29,585
Charge for the year	1,834	3,699	1,318	6,851
At 31 December 2004	<u>7,516</u>	<u>20,378</u>	<u>8,542</u>	<u>36,436</u>
Net book values				
At 31 December 2004	<u>£4,988</u>	<u>£20,964</u>	<u>£3,954</u>	<u>£29,906</u>
At 31 December 2003	<u>£1,231</u>	<u>£18,452</u>	<u>£5,272</u>	<u>£24,955</u>

HERITAGE PLAYING CARD COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004

Included above are assets held under finance leases or hire purchase contracts as follows:

Asset description	<u>2004</u>		<u>2003</u>	
	<u>Net</u>	<u>Depreciation</u>	<u>Net</u>	<u>Depreciation</u>
	<u>book value</u>	<u>charge</u>	<u>book value</u>	<u>charge</u>
	£	£	£	£
Motor vehicles	<u>3,954</u>	<u>1,318</u>	<u>5,272</u>	<u>1,757</u>
7 Debtors			<u>2004</u>	<u>2003</u>
			£	£
Trade debtors			38,653	34,725
Other debtors			2,773	2,662
Prepayments			10,403	8,405
			<u>£51,829</u>	<u>£45,792</u>
8 Creditors: amounts falling due within one year			<u>2004</u>	<u>2003</u>
			£	£
Bank overdraft			557	-
Net obligations under finance leases and hire purchase contracts			1,768	3,382
Trade creditors			45,955	34,817
Amounts owed to Trioview Limited			14,820	21,970
Corporation tax			6,435	9,629
Other taxes and social security costs			1,060	2,014
Directors' accounts (see note 13)			3,597	1,610
Other creditors			300	-
Accruals			3,396	4,317
			<u>£77,888</u>	<u>£77,739</u>
9 Creditors: amounts falling due after more than one year			<u>2004</u>	<u>2003</u>
			£	£
Net obligations under finance leases and hire purchase contracts			<u>867</u>	<u>282</u>

HERITAGE PLAYING CARD COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004

10 Provisions for liabilities and charges

	<u>Deferred taxation (Note 11)</u> £	<u>Total</u> £
At 1 January 2004	2,051	2,051
Movements in the year	268	268
At 31 December 2004	<u>£2,319</u>	<u>£2,319</u>

11 Provision for deferred taxation

	<u>2004</u> £	<u>2003</u> £
Accelerated capital allowances	2,319	2,051
Provision at 1 January 2004	2,051	
Deferred tax charge in profit and loss account	268	
Provision at 31 December 2004	<u>£2,319</u>	

12 Share capital

	<u>2004</u> £	<u>2003</u> £
Authorised		
5,000 Ordinary shares of £1 each	5,000	5,000
Allotted, called up and fully paid		
5,000 Ordinary shares of £1 each	5,000	5,000

HERITAGE PLAYING CARD COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004**

13 Transactions with directors

Included in creditors is an amount owed to the directors of £3,597 (2003: £1,610), this loan is interest free.

14 Related party transactions

During the year the company traded with Trioview Limited, a company in which Mr and Mrs Shaw have an interest.

Goods and services, in the ordinary course of business, to the value of £147,442 (2003: £137,842) were charged to this company from Trioview, computed on an arms length basis.

Goods and services, in the ordinary course of business, to the value of £1,200 (2003: £1,200) were charged by this company to Trioview, computed on an arms length basis.

At 31 December 2004, £14,820 (2003: £21,970) was due to Trioview Limited.

15 Controlling interest

Mr J H Shaw and Mrs J C Shaw are the ultimate controlling party by virtue of their jointly owned majority share holding.