

Signed
Accounts

Head Gear Films Limited
Report and financial statements
for the year ended 30 June 2004

Registered Number SC229286



Head Gear Films Limited
Report and financial statements
for the year ended 30 June 2004
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Head Gear Films Limited

Directors and advisors for the year ended 30 June 2004

Directors

S C Ross

G J Cruttwell

P R Hunt

Secretary

S C Ross

Registered Office

Investment House

6 Union Row

Aberdeen

AB10 1DQ

Accountants

PricewaterhouseCoopers LLP

32 Albyn Place

ABERDEEN

AB10 1YL

Solicitors

Paull & Williamsons

Investment House

6 Union Row

Aberdeen

AB10 1DQ

Bankers

The Royal Bank of Scotland plc

40 Albyn Place

Aberdeen

AB10 1YN

Head Gear Films Limited

Directors' report for the year ended 30 June 2004

The directors present their annual report with the unaudited financial statements of the company for the year ended 30 June 2004.

Principal activities

The company is engaged in the development and production of feature films set in the UK and internationally.

Review of the business

The profit and loss account is set out on page 3. The loss for the year amounted to £142,406 and has been transferred from reserves. The directors do not recommend payment of a dividend (2003 : £nil).

Cost of sales consists of production costs on films with a future release date.

Directors and their interests

The directors in office in the year and their beneficial interests in the company at the balance sheet date and the beginning of the period were as follows:

	Number of shares At 2004 and 2003
S C Ross – ordinary shares of £1 each	1
G J Cruttwell – ordinary shares of £1 each	1
P R Hunt – ordinary shares of £1 each	1

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing these 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining proper accounting records which 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.

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

By order of the Board



S C Ross
Director

Head Gear Films Limited

Profit and loss account for the year to 30 June 2004

	Note	2004 £	2003 £
Turnover		-	-
Cost of sales		(106,209)	(29,562)
Gross loss		(106,209)	(29,562)
Net operating expenses		(35,004)	(13,710)
Operating loss		(141,213)	(43,272)
Interest payable and similar charges		(1,193)	(160)
Loss on ordinary activities before taxation		(142,406)	(43,432)
Tax on loss on ordinary activities		-	-
Retained loss for the financial period	9	(142,406)	(43,432)

Results are attributable to continuing operations.

The company has no recognised gains and losses other than the profit or loss for the financial period and therefore no separate statement of recognised gains and losses has been presented.

There is no difference between the loss before taxation and the loss for the period stated above, and their historical cost equivalents.

No taxation arose in either year due to trading losses.

Head Gear Films Limited

Balance sheet as at 30 June 2004

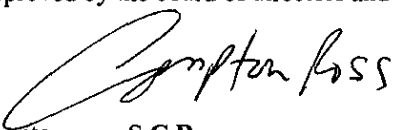
	Note	2004 £	2003 £
Fixed assets			
Tangible assets	4	715	-
Current assets			
Debtors	5	2,874	5,518
Current liabilities			
Creditors: amounts falling due within one year	6	(29,924)	(7,947)
Net current liabilities		(27,050)	(2,429)
Total assets less current liabilities		(26,335)	(2,429)
Creditors : amounts falling due after more than one year	7	(159,500)	(41,000)
Net liabilities		(185,835)	(43,429)
Capital and reserves			
Called up share capital	8	3	3
Profit and loss account	9	(185,838)	(43,432)
Deficiency of equity shareholder's funds		(185,835)	(43,429)

The directors have taken advantage of the exemption conferred by Section 249A(1) not to have these financial statements audited and confirm that no notice has been deposited under Section 249B(2) of the Companies Act 1985. The directors acknowledge their responsibilities for ensuring that:

- (i) The company keeps accounting records which comply with section 221 of the Companies Act 1985.
- (ii) The financial statements give a true and fair view of the state of affairs of the company as at 31 March 2003 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 requirements of the Companies Act 1985 relating to 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.

Approved by the board of directors and signed on its behalf by:


Director : S C Ross

Date : 20/9/05

Head Gear Films Limited

Notes to the financial statements for the year ended 30 June 2004

1 Statement of accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards under the historical cost convention, and on a going concern basis. A summary of the principal accounting policies, is set out below.

Cash flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirements to prepare such a statement under Financial Reporting Standard 1 : "Cash flow statements".

Depreciation of tangible fixed assets

Depreciation is calculated to write off the cost of fixed assets in equal annual instalments over their anticipated lives.

Plant and equipment 3 years

Taxation

Corporation tax is provided on taxable profits at current rates.

Deferred taxation is provided at current rates of corporation tax on all timing differences that have originated but not reversed by the balance sheet date, where there is an obligation to pay more or less tax in the future as a result of the reversal of those timing differences.

2 Turnover

There has been no turnover for the year ended 30 June 2004.

3 Information on Directors and Employees

	2004	2003
	No	No
The average number of employees, including directors, during the year was	3	3

The directors who are also employees of the company received remuneration during the year of £nil (2003 : £nil).

Head Gear Films Limited

4 Tangible fixed assets

	Plant and equipment £
Cost	
At 1 July 2003	-
Additions	1,073
At 30 June 2004	1,073
Depreciation	
At 1 July 2003	-
Charge for the year	358
At 30 June 2004	358
Net book amount	
At 30 June 2004	715
At 30 June 2003	-

5 Debtors

	2004 £	2003 £
Other taxes	2,871	1,103
Prepayments	3	4,415
	2,874	5,518

6 Creditors : amounts falling due within one year

	2004 £	2003 £
Accruals	15,807	6,101
Bank overdraft	14,117	1,846
	29,924	7,947

Head Gear Films Limited

7 Creditors : amounts falling due after more than one year

	2004	2003
	£	£
Interest free loan	159,500	41,000

8 Share capital

	2004	2003
	£	£
Authorised		
10,000 ordinary shares of £1 each	10,000	10,000
Allotted, called-up and fully paid		
3 ordinary shares of £1 each	3	3

9 Profit and loss account

	2004	2003
	£	£
At 1 July 2003	(43,432)	-
Loss for the financial period	(142,406)	(43,432)
At 30 June 2004	(185,838)	(43,432)