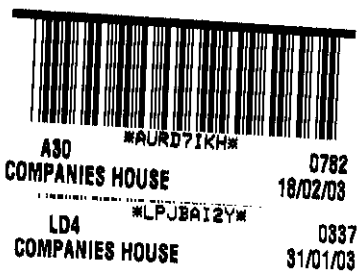


**Tomato Limited**  
**Report and financial statements**  
**31 December 2001**



**Martin Greene Ravden**  
*Chartered Accountants  
and Registered Auditors*  
55 Loudoun Road  
St John's Wood  
London NW8 0DL

Company Registration No. 2573431  
(England and Wales)

**Tomato Limited**  
**Report and financial statements**  
**For the year ended 31 December 2001**

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**Company information**

<b>Director</b>	S Baker
<b>Secretary</b>	K Rainford
<b>Company number</b>	2573431
<b>Registered office</b>	55 Loudoun Road St John's Wood London NW8 0DL
<b>Auditors</b>	Martin Greene Ravden Chartered Accountants and Registered Auditors 55 Loudoun Road St John's Wood London NW8 0DL
<b>Business address</b>	13-14 Great Sutton Street London EC1V 0BX
<b>Bankers</b>	National Westminster Bank plc 15 The Concourse Skelmersdale Lancashire WN8 6LD
<b>Solicitors</b>	The Simkins Partnership 45-51 Whitfield Street London W1P 6AA

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**Tomato Limited**  
**Report and financial statements**  
**For the year ended 31 December 2001**

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**Tomato Limited**  
**Director's report**  
**For the year ended 31 December 2001**

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The director presents his report and financial statements for the year ended 31 December 2001.

**Principal activities and business review**

The principal activities of the company are those of advertising and graphic design consultants.

During the year the company, in common with others in the advertising and design industry, experienced a fall off in business, which coupled with a substantial rent increase caused it to make a loss after tax of £259,410. In order to combat this, the company has reduced its workforce and in December 2001 moved to less expensive premises. The director looks forward to the future with confidence.

**Director**

The following director has held office since 1 January 2001:

S Baker

**Director's interests**

The director's interest in the shares of the company was as stated below:

	Ordinary shares of £ 1 each	
	31 December 2001	1 January 2001
S Baker	-	50

The director's shareholding in Tomato Holdings Limited, the ultimate holding company, is disclosed in that company's accounts.

**Auditors**

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Martin Greene Ravden be reappointed as auditors of the company will be put to the Annual General Meeting.

**Director's responsibilities**

Company law requires the director to prepare financial statements for each financial year which give 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 financial statements, the director is 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 director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

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

On behalf of the board



S Baker

Director

27 JAN 2003

**Tomato Limited**  
**Independent auditors' report**  
**to the shareholders of Tomato Limited**

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We have audited the financial statements of Tomato Limited on pages 3 to 9 for the year ended 31 December 2001. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

**Respective responsibilities of the director and auditors**

As described in the statement of director's responsibilities on page 1 the company's director is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the director's report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and transactions with the company is not disclosed.

We read the director's report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Martin Greene Ravden**  
*Chartered Accountants and*  
*Registered Auditors*

55 Loudoun Road  
St John's Wood  
London NW8 0DL

31 JAN 2003  
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**Tomato Limited**  
**Profit and loss account**  
**For the year ended 31 December 2001**

	Notes	2001 £	2000 £
<b>Turnover</b>		1,062,805	1,820,996
Cost of sales		(762,180)	(1,270,363)
<b>Gross profit</b>		300,625	550,633
Administrative expenses		(649,281)	(657,694)
Other operating income		77,986	131,678
<b>Operating (loss)/profit</b>	<b>2</b>	(270,670)	24,617
Other interest receivable and similar income		1,618	3,874
Interest payable and similar charges		-	(1,362)
<b>(Loss)/profit on ordinary activities before taxation</b>		(269,052)	27,129
Tax on (loss)/profit on ordinary activities		9,642	(9,567)
<b>(Loss)/profit on ordinary activities after taxation</b>	<b>9</b>	(259,410)	17,562

**Tomato Limited**  
**Balance Sheet**  
**As at 31 December 2001**

	Notes	2001 £	2000 £
<b>Fixed assets</b>			
Intangible assets	3	6,694	5,827
Tangible assets	4	16,058	72,675
Investments	5	66	66
		<u>22,818</u>	<u>78,568</u>
<b>Current assets</b>			
Stocks		19,073	95,454
Debtors	6	163,987	367,472
Cash at bank and in hand		41,140	284,982
		<u>224,200</u>	<u>747,908</u>
<b>Creditors: amounts falling due within one year</b>	7	<u>(409,296)</u>	<u>(729,344)</u>
<b>Net current (liabilities)/assets</b>		<u>(185,096)</u>	<u>18,564</u>
<b>Total assets less current liabilities</b>		<u>(162,278)</u>	<u>97,132</u>
<b>Capital and reserves</b>			
Called up share capital	8	450	450
Profit and loss account	9	(162,728)	96,682
<b>Shareholders' funds</b>		<u>(162,278)</u>	<u>97,132</u>

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

The financial statements were approved by the Board on 27 JAN 2003

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**S Baker**  
 Director

# Tomato Limited

## Notes to the financial statements

For the year ended 31 December 2001

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### 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 Going concern

The company meets its day to day working capital requirements through extended credit from certain of its producers who are shareholders in Tomato Holdings Limited, its parent company. The producers have confirmed that they will continue to finance the company and the director has prepared projected cash flow information for the year ending 31 December 2003 based on this.

On the basis of this cash flow information, the director considers that the company will continue to trade. On this basis, the director considers it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of this finance.

#### 1.3 Cash flow statement

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

#### 1.4 Turnover

Turnover represents the invoiced value of services supplied by the company net of value added tax.

#### 1.5 Trademarks

Trademarks are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives.

#### 1.6 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 less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings	straight line over the length of the lease
Equipment	25% reducing balance
Fixtures and fittings	25% reducing balance

#### 1.7 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 1.8 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

#### 1.9 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value.

#### 1.10 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the director, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

#### 1.11 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.



# Tomato Limited

## Notes to the financial statements

For the year ended 31 December 2001

### 1 ACCOUNTING POLICIES

#### 1.12 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise part of a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

2 OPERATING (LOSS)/PROFIT	2001	2000
	£	£
Operating (loss)/profit is stated after charging:		
Amortisation of intangible assets	816	647
Depreciation of tangible assets	42,510	48,136
Auditors' remuneration	4,000	4,000
	<u>47,126</u>	<u>52,783</u>

### 3 INTANGIBLE FIXED ASSETS

	Trademarks
	£
<b>Cost</b>	
At 1 January 2001	6,474
Additions	1,683
	<u>8,157</u>
At 31 December 2001	
<b>Amortisation</b>	
At 1 January 2001	647
Charge for year	816
	<u>1,463</u>
At 31 December 2001	
<b>Net book value</b>	
At 31 December 2001	6,694
	<u>6,694</u>
At 31 December 2000	5,827
	<u>5,827</u>

**Tomato Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2001**

**4 TANGIBLE FIXED ASSETS**

	Land and buildings	Other tangible fixed assets	Total
	£	£	£
<b>Cost</b>			
At 1 January 2001	104,182	104,044	208,226
Additions	-	4,541	4,541
Disposals	(104,182)	(65,440)	(169,622)
	<u>-</u>	<u>43,145</u>	<u>43,145</u>
At 31 December 2001	-	43,145	43,145
<b>Depreciation</b>			
At 1 January 2001	68,339	67,212	135,551
On disposals	(104,181)	(46,793)	(150,974)
Charge for the year	35,842	6,668	42,510
	<u>-</u>	<u>27,087</u>	<u>27,087</u>
At 31 December 2001	-	27,087	27,087
<b>Net book value</b>			
At 31 December 2001	<u>-</u>	<u>16,058</u>	<u>16,058</u>
At 31 December 2000	<u>35,843</u>	<u>36,832</u>	<u>72,675</u>

**5 FIXED ASSET INVESTMENTS**

	Shares in group undertakings
	£
<b>Cost</b>	
At 1 January 2001 & at 31 December 2001	<u>66</u>

**Holdings of more than 20%**

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held	%
<b>Subsidiary undertakings</b>				
Tomato Films Limited	England & Wales	Ordinary		66

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves	Profit for the year
Tomato Films Limited	<u>118,935</u>	<u>(59,358)</u>

# Tomato Limited

## Notes to the financial statements

For the year ended 31 December 2001

6	DEBTORS	2001 £	2000 £
	Trade debtors	74,834	169,792
	Amounts owed by group undertakings and undertakings in which the company has a participating interest	43,334	118,386
	Other debtors	45,819	79,294
		<u>163,987</u>	<u>367,472</u>

Debtors include an amount of £4,400 (2000- £40,000) which is due after more than one year.

7	CREDITORS: Amounts falling due within one year	2001 £	2000 £
	Trade creditors	195,248	227,613
	Taxation and social security	3,512	12,990
	Other creditors	210,536	488,741
		<u>409,296</u>	<u>729,344</u>

8	SHARE CAPITAL	2001 £	2000 £
	<b>Authorised</b>		
	1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
	<b>Allotted, called up and fully paid</b>		
	450 Ordinary shares of £1 each	<u>450</u>	<u>450</u>

### 9 STATEMENT OF MOVEMENTS ON PROFIT AND LOSS ACCOUNT

	£
Balance at 1 January 2001	96,682
Retained loss for the year	<u>(259,410)</u>
Balance at 31 December 2001	<u>(162,728)</u>

# Tomato Limited

## Notes to the financial statements

For the year ended 31 December 2001

### 10 FINANCIAL COMMITMENTS

At 31 December 2001 the company had annual commitments under non-cancellable operating leases as follows:

	2001	2000
	£	£
Expiry date:		
Within one year	28,000	-
In over five years	-	80,000
	<u>28,000</u>	<u>80,000</u>

### 11 TRANSACTIONS WITH DIRECTORS

Mr S Baker is a director and major shareholder of Steve Baker Management Limited. During the period, Steve Baker Management invoiced the company with amounts totalling £71,560 (2000 - £176,246) in respect of administrative expenses and management fees. At 31 December 2001, the net balance owed to Steve Baker Management Limited was £8,320 (2000 - £30,430).

### 12 CONTROL

The ultimate parent company is Tomato Holdings Limited. There is no controlling party.

### 13 RELATED PARTY TRANSACTIONS

During the year, the company made sales of £140,482 (2000 - £349,627) and purchases of £20,047 (2000 - £6,419) with its subsidiary undertaking Tomato Films Limited, on normal commercial terms. At 31 December 2001, the net balance owed to Tomato Limited was £42,964 (2000 - £118,386).

The company is entitled to the first £75,000 of the pre-tax profits, on an annual basis, from its subsidiary undertaking Tomato Films Limited. The amount of profit allocated to Tomato Limited in the period under review amounted to £nil (2000 - £75,000).