

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

CENTURY PARK PICTURES CORP
Form 10-K
February 22, 2002

FORM 10-K

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

ANNUAL REPORT

Pursuant to Section 13 or 15(d) of the
Securities & Exchange Act of 1934

For fiscal year ended September 30, 2001

CENTURY PARK PICTURES CORPORATION
(Exact name of registrant as specified in its charter)

Minnesota	0-14247	41-1458152
-----	-----	-----
(State of Incorporation)	(Commission File Number)	(IRS Employer Identification Number)
4701 IDS Center, Minneapolis, Minnesota		55402
-----		-----
(Address of principal executive offices)		(zip code)
Registrant's telephone number: (612) 333-5100		

Securities registered pursuant to Section 12(b) of the Act:

NONE

Securities registered pursuant to Section 12(g) of the Act:

COMMON STOCK par value \$.001

Registrant has (1) filed all reports to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934, during the 12 months next preceding September 30, 2000 and (2) has been subject to such filing requirements for the ninety (90) days preceding September 30, 2001.

Disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (ss.229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

As of December 31, 2001, 9,886,641 common shares were outstanding. The aggregate market value of the common shares (based upon only limited and sporadic quotations not to exceed \$1/10) of the Registrant held by non-affiliates was \$816,815.

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

PART I

ITEM 1. BUSINESS

(a) GENERAL DESCRIPTION OF BUSINESS

The Company develops, produces and markets various entertainment properties, including without limitation, the intellectual product(s) of entities engaged in the motion picture, television, and theatrical state productions, such as creative writers, producers and directors, for the motion picture, pay/cable and commercial television markets and, until September 1995 through its then 50.1% owned subsidiary, Willy Bietak Productions, Inc. ("WBPI"), produced and operated small touring ice shows and theme shows appearing in theatres, casinos, and major amusement parks and arenas. On September 29, 1995, in consideration of guarantees of certain bank debt of WBPI, provided WBPI by its minority shareholder, the Company transferred 65,900 of its shares of WBPI common stock to such minority shareholder, thereby reducing the Company's interest to 30%. Until December 1998 a wholly-owned subsidiary, International Theatres Corporation ("ITC"), of the Company operated the Chanhassen Dinner Theatre in Chanhassen, Minnesota which the Company acquired in 1993.

On December 17, 1998 the Board of Directors passed a resolution to transfer the Company's interest in ITC and its remaining interest in WBPI to the Company's CEO as repayment of \$100,000 on account of advances made to the Company by the Company's CEO. In setting the \$100,000 amount the Board of Directors obtained and relied upon an independent market analysis of ITC and WBPI by Lingate Financial Group, a Minnesota corporation.

The Company may be unable to continue as a going concern without raising additional funds from outside sources. Management is uncertain as to the likelihood of raising additional funds. (See Liquidity and Sources of Capital for Further Discussion.)

The Company was organized under Minnesota law in 1983. The Company's executive offices are located at 4701 IDS Center, Minneapolis, Minnesota 55402 and its telephone number is (612) 333-5100.

(b) FINANCIAL INFORMATION ABOUT INDUSTRY SEGMENTS

The Company's operations are attributable to one business segment. The ownership, production, and operation of entertainment attractions.

(c) ACCOUNTANTS OPINION

PAGE 2

The Company's independent auditors issued their opinion on the Company's financial statements for the year ended September 30, 2001, which included an explanatory paragraph as to substantial doubt about the Company's ability to continue as a going concern. This doubt was raised primarily due to recurring losses from operations and due to the Company's stockholders' deficit of \$ 1,032,516 at September 30, 2001.

(d) NARRATIVE DESCRIPTION OF BUSINESS

(i) International Theatres Corporation

As previously discussed, on December 17, 1998 the Board of Directors in reliance upon an independent market analysis transferred

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

International Theatres Corporation to the Company's CEO as partial repayment of \$100,000 of advances. (See Footnote 12 to Financial Statements)

(ii) Motion Pictures, Pay/Cable, and Television

In producing entertainment properties for motion picture, pay/cable and commercial television, the Company has limited its costs to those incurred prior to the commencement of principal photography, either at a studio or on selected site(s). It has been the Company's intention to produce or co-produce and arrange for the distribution of primarily feature length motion pictures with production financing derived from third party sources. The Company has reported no revenues from motion pictures, pay/cable and television during 1999, 2000 and 2001. At September 30, 2001, the Company had two (2) properties of which only one of which was substantially completed. All entertainment properties have been charged to expenses.

The profits of an enterprise involved in the entertainment industry generally and, particularly, the motion picture, television and music industries are greatly dependent upon the audience appeal of each creative product, compared with the cost of such product's purchase, development, production and distribution. Competition is intense both within the motion picture and television industry and other entertainment media. The Company is in competition with major film studios, as well as with numerous "independent" motion picture and television production companies for the acquisition of artistic properties, and the services of artistic, creative and technical personnel. The Company is unaware of any recognized approach to determined its or any participants' position in these industries. Moreover, the Company's financial resources does not suggest that it would be considered a "major participant in these industries.

PAGE 3

ITEM 2. PROPERTIES/Real Estate Related

The Company leases, as its headquarters, 1,941 square feet of office space at 4701 IDS Center, Minneapolis, Minnesota 55402. The Company's motion picture and television operations lease 160 square feet of office space at 3575 Cahuenga Blvd. West, Los Angeles, California 90048. Affiliates of the Company are presently advancing the rent for this space. Management believes that there is adequate space available in the Los Angeles area to accommodate its California operations.

ITEM 3. LEGAL PROCEEDINGS

The Company is not involved in any material legal proceedings.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matter was submitted to a vote of security holders during the fourth quarter of the fiscal year covered by this Report.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCK HOLDER MATTERS

a. Price Range of Common Stock

The following table shows the range of the closing bid prices for the

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

Common Stock in the over-the-counter market for the fiscal years ended September 30, 2001 and 2000. Since the first quarter 1996 there was no established public trading market for the Company's common shares. There were only limited or sporadic quotations and none exceed \$.10.

Fiscal Years 2000 and 2001	Bid Prices	
	High	Low
	----	---

See above explanation

b. Number of equity security holders' accounts at December 31, 2001:
509

c. Dividends:

The Registrant has never paid any cash dividends on its Common Stock and does not plan to pay any cash dividends in the foreseeable future.

PAGE 4

ITEM 6. SELECTED CONSOLIDATED FINANCIAL DATA **

	2001	2000	1999	1998
Revenues	\$ --	\$ --	\$ --	\$ --
Income (Loss) from Continuing Operations	(67,069)	(65,649)	(67,207)	(308,698)
Income (Loss) from Continuing Operations per Share	(0.01)	(.01)	(.01)	(.03)
Weighted Average Number of Common Shares	9,886,641	9,886,641	9,886,641	9,886,641
Total Assets	\$ 926	\$ 959	\$ 955	\$ 1,176,146
Long Term Debt (excluding current portion)	--	--	--	
Stockholders' Equity (Deficit)	\$ (1,032,516)	\$ (1,282,326)	(\$ 1,224,096)	(\$ 2,135,511)

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND THE RESULTS OF OPERATIONS

OPERATIONS

YEAR ENDED SEPTEMBER 30, 2001 TO YEAR ENDED SEPTEMBER 30 1999

Continuing operations consisted primarily of administrative expenses and interest expenses. Administrative expenses were \$15,569 for 2001 compared to \$14,149 for 2000. Interest expense were \$51,500 for 2001 and 2000. During 2001 the Company recorded a gain on extinguishment of Pike debt of \$302,179. (See note 13 to consolidated financial statements. The gain was reported as an extra ordinary item.

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

YEAR ENDED SEPTEMBER 30, 2000 COMPARED TO SEPTEMBER 30, 1999

Continuing operations consisted primarily of administrative expenses and interest expenses. Administrative expenses were \$14,149 for 2000 compared to \$15,530 for 1999. Interest expense was \$51,500 for 2000 compared to \$ 51,497 for 1999.

Year ended September 30, 1999 compared to September 30, 1998

Due to the disposal of ITC and WBPI as discussed in Item 1(a), their respective revenues and expenses have been classified as discontinued operations. Continuing operations consisted primarily of administrative expenses and interest expense. Administrative expenses were \$15,530 for 1999 compared to \$221,883 for 1998. The decrease is primarily due to the elimination of expenses related to ITC. Interest expense was \$51,497 for 1999

PAGE 5

compared to \$ 98,313 for 1998. The decrease was primarily due to the elimination of interest expense attributable to the Pike in 1999.

LIQUIDITY AND SOURCES OF CAPITAL

Cash used by continuing operating activities for the year ended September 30, 2001 was \$14,733 compared to \$7,415 in the comparable prior year period. Cash provided by financing activities for the year ended September 30, 2001 was comprised of \$14,700 in advances from the Company's CEO.

Management intends to continue to restrict expenditures with respect to the future development of entertainment properties and to market its completed properties. The Company has two completed properties. The costs of development have been written off. Accordingly, the Company will incur little, if any, costs of marketing. Management believes these actions may contribute to the Company's liquidity. The Company had no material commitments for capital expenditures as of September 30, 2001 and capital expenditures for fiscal 2002 are expected to be immaterial.

During the fiscal years ended September 30, 2001, 2000, and 1999, the Company incurred substantial losses from continuing operations of \$ 67,069, \$65,649, and \$ 67,027, respectively, and has a working capital deficit as of September 30, 2001 of \$1,032,516. The impact of these losses is to limit the liquidity and available cash resources for operations.

During the fiscal years ended September 30, 1999 and 1998 and 1997, the Company's CEO made cash advances to the Company in order to meet cash flow needs. These advances were secured by the Company's shares of stock in ITC and WPBI. In December 1998 the Company's management, with approval of the Board of Directors, transferred the assets and operations of ITC and the Company's investment in WBPI to the CEO as partial repayment of the advances made to the Company. There can be no assurances that the Company's CEO and major stockholder will advance any amount(s) either as loans or capital contributions in the future. See Note 12 to Financial Statements This left the Company with no on-going operating business or operating assets.

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

The Company's operations subsequent to the disposition of its subsidiaries consist of acquisition searches and certain administrative costs, both of which could be scaled back and/or financed by the Company's CEO and major stockholder. There can be no assurances that the Company's CEO and major stockholder will advance any amount(s) either as loans or capital contributions in the future.

PAGE 6

The Company intends to continue to seek out potential acquisitions. However, potential acquisitions are in the early stages of investigations. Since the Company has no bank lines of credit it intends to finance any acquisitions with to be negotiated senior bank financing of approximately 60%, and the remainder with a combination of other debt and equity instruments. There are no assurances that the Company will successfully identify these or any other potential acquisitions or that, if identified, it will obtain financing under terms acceptable to the Company. Management presently considers an acquisition or a merger of the Company a viable alternative.

The Company raised during 1996 financing from outside sources of approximately \$400,000, due to inadequate cash flow and insufficient funds of the Pike. Such financing was due in December, 1996, and is secured by the common stock of the Pike. Management anticipates the majority of the financing will be converted into the Company's common stock. Management attempted to sell the Company's interest in the Pike, but was unsuccessful. There are no assurances that the financing will be converted into the Company's common stock. During the year ended September 30, 2001, the Pike was legally dissolved. The Company's consolidated balance sheet includes \$302,179 of liabilities of the Pike as of September 30, 2000. These liabilities were removed from the consolidated balance sheet as of September 30, 2001 and a gain on extinguishment was recognized. (See Note 13 to the consolidated financial statements)

The Company's independent auditors issued their opinion on the Company's financial statements for the year ended September 30, 2001, which included an explanatory paragraph as to substantial doubt about the Company's ability to continue as a going concern. This doubt was raised primarily due to recurring losses from operations, the Company's stockholder's deficit of \$ 1,032,516 at September 30, 2001, and to no ongoing operations.

PAGE 7

INFLATION

Inflation and changing prices have not had a significant impact on operations of the Company to date.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

This information is included following "Index to Financial Statements".

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

NONE

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT AT SEPTEMBER 30, 2001

Name ----	Office Held -----	Director/ Officer Since -----	Age ---
Philip Rogers	President, Director	1983	67
Thomas K. Scallen	Chief Executive Officer, Chairman of the Board of Directors,	1983	76
Willy Bietak	Director	1992	54

Mr. Rogers became President and Director upon the Company's formation in 1983. Mr. Roger is also a principal of Philipico Picture Company, a motion picture and television production company.

Mr. Scallen became Chairman of the Board of Directors, Vice President, and Treasurer of CPPC upon its formation in 1983. Mr. Scallen was elected Chief Executive Officer of the Company on March 14, 1992. Mr. Scallen assumed the responsibilities of chief financial officer in 1998. Mr. Scallen was president, director and principal stockholder of International Broadcasting Corporation, a publicly traded company engaged in entertainment activities, the

PAGE 8

presentation of touring shows, arena shows and motion picture or television productions until March 1992. International Broadcasting Corporation filed for protection under Chapter 11 of the Bankruptcy Act in August 1991.

Mr. Bietak became a Director of the Company in 1992. He is President of Willy Bietak Productions, Inc. and has been associated with the Company since 1986.

ITEM 11. EXECUTIVE COMPENSATION

Officer Compensation

Name ----	Capacity -----	Year ----	Cash and Cash Equivalent Paid or Accrued Salaries -----	Aggregate Remuneration -----
Philip Rogers	President	2001	\$ -0-	\$ -0-
		2000	\$ -0-	\$ -0-
		1999	\$ -0-	\$ -0-
Thomas K. Scallen	CEO	2001	\$ -0-	\$ -0-

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

	2000	\$	-0-	
	1999	\$	-0-	
All Officers as a Group (2 in number)	2001	\$	-0-	\$ -0-
	2000			\$ 195,000
	1999			\$ 195,000

Director Compensation

The Directors have not received any cash compensation. Directors, other than Messrs. Scallen and Rogers, each received 2 year options to purchase 10,000 shares of the Company's common stock at \$1.50 per share in 1993. These options expired September 30, 1996.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth as at September 30, 2001, the information with respect to common stock ownership of each person known to the Company to own beneficially more than five percent (5%) of the shares of the Company's common stock and all Directors and Officers as a group.

Name & Address -----	Number of Shares -----	Percentage -----
Thomas K. Scallen Heron Cove, Unit B Windham, NH 03087	1,619,480	16.4%
Philip Rogers Rogers & Associates 3575 Cahuenga Blvd. W. Los Angeles, CA 90068	99,375	1%
All Officers and Directors as a Group (3) in number)	1,718,855	17.3%

PAGE 9

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

During the years ended September 30, 2001 and 2000, the Company's chief executive officer (CEO) provided short-term advances of \$14,700 and \$7,419, respectively to the Company. These amounts were required to be reported as additional paid in capital in the accompanying financial statements. The advances contained specific repayment provisions and, as such, when repayments occur, a corresponding reduction additional paid in capital would occur.

On December 17, 1998, the Board of Directors passed a resolution to transfer the Company's interest in its subsidiaries ITC and WBPI to the Company's CEO as repayment of \$100,000 in advances the Company's CEO had made to the Company (see Note 5 to Financial Statements). In setting the \$100,000 amount the Board of Directors obtained and relied upon an independent market analysis of ITC and WBPI.

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

On December 31, 1998 the Company's CEO forgave the remainder of the advances of approximately \$1,081,000 owed to him by the Company.

As of September 30, 2001 and 2000, the Company owed the Company's CEO \$227,500 for cumulative accrued salary. These amounts are included in accrued expenses on the accompanying balance sheets.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENTS, SCHEDULES, AND REPORTS ON FORM 8-K

- (a) 1. Financial Statements. See following "Index to Financial Statements".
- 2. Financial Statement Schedules. See following "Index to Financial Statements".

- (b) Reports on Form 8-K

NONE

- (c) Exhibits

(3.) Articles of Incorporation and By-Laws are incorporated by reference to the Exhibits to the Registrant's Registration Statement of September 15, 1983.

PAGE 10

(4.) Rights of warrant holders set forth in Exhibits to Registration No.33-58546 effective April 12, 1993 incorporated by this reference.

(10.) Stock Purchase Agreement, dated July 29, 1993 between registrant and International Broadcasting Corporation, International Theatres Corporation and National Westminster Bank USA attached as an Exhibit to Registrants Report on Form 8-K is incorporated by this reference.

(22.11) Registrant is the sole shareholder of Minnesota Arena Football, Inc., a Minnesota corporation ("MAF"). MAF did business under the trade name Minnesota Fighting Pike until 1996.

(24) Manually signed powers of attorney for members of the Board of Directors, filed herewith are incorporated by this reference.

PAGE 11

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized as of the 20th day of February, 2002.

CENTURY PARK PICTURES CORPORATION

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

By: s/ Thomas K. Scallen

Thomas K. Scallen
Chief Executive Officer

Pursuant to the Requirements of the Securities Exchange Act of 1934, this Report has been signed on behalf of the Registrant and in capacities and on the dates indicated.

*

s/ Philip Rogers

February 18, 2002

Philip Rogers
President
& Director

s/ Thomas K. Scallen

February 18, 2002

Thomas K. Scallen
Chief Executive Officer & Director

*

s/ Willy Bietak

February 18, 2002

Willy Bietak Director

* Signed pursuant to Power of Attorney

PAGE 12

CENTURY PARK PICTURES CORPORATION AND SUBSIDIARY
CONSOLIDATED FINANCIAL STATEMENTS AND SUPPORTING SCHEDULES
INCLUDED IN ANNUAL REPORT ON FORM 10-K
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2001

INDEX

Page numbers refer to pages in the attached Consolidated Financial Statements:

	Page

Independent Auditors' Report.....	1
Consolidated Balance Sheets - September 30, 2001 and September 30, 2000.....	2
Consolidated Statements of Operations -	

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

Years ended September 30, 2001, 2000, and 1999.....	3
Consolidated Statements of changes in Stockholders' deficit - Years Ended September 30, 2001, 2000, and 1999.....	4
Consolidated Statements of Cash Flows - Years ended September 30, 2001, 2000, and 1999.....	5
Notes to Consolidated Financial Statements.....	6

PAGE 13

CENTURY PARK PICTURES CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2001, 2000, AND 1999

CENTURY PARK PICTURES CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2001, 2000, AND 1999

CONTENTS

	Page
Independent auditors' report	1
Financial statements:	
Consolidated balance sheets	2
Consolidated statements of operations	3
Consolidated statements of changes in stockholders' deficit	4
Consolidated statements of cash flows	5
Notes to consolidated financial statements	6-14

BOARD OF DIRECTORS AND STOCKHOLDERS
CENTURY PARK PICTURES CORPORATION
MINNEAPOLIS, MINNESOTA

Independent Auditors' Report

We have audited the accompanying consolidated balance sheets of CENTURY PARK PICTURES CORPORATION as of September 30, 2001 and 2000, and the related

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

consolidated statements of operations, changes in stockholders' deficit, and cash flows for the years ended September 30, 2001, 2000, and 1999. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of CENTURY PARK PICTURES CORPORATION as of September 30, 2001 and 2000, and the consolidated results of its operations and its cash flows for the years ended September 30, 2001, 2000, and 1999 in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 10 to the consolidated financial statements, the Company has suffered recurring losses from operations, and its total liabilities exceed its total assets. Those conditions raise substantial doubt about its ability to continue as a going concern. Management's plans regarding those matters are also described in Note 10. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Blanski Peter Kronlage & Zoch, P.A.

November 29, 2001

CENTURY PARK PICTURES CORPORATION CONSOLIDATED BALANCE SHEETS SEPTEMBER 30, 2001 AND 2000

	ASSETS	
	2001	2000
	-----	-----
CURRENT ASSETS:		
Cash	\$	\$
Prepaid expenses	926	926
	-----	-----
Total current assets	926	959
	-----	-----
PROPERTY, PLANT, AND EQUIPMENT:		
Furniture and fixtures	94,077	94,077

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

Less accumulated depreciation and amortization	94,077	94,077
	-----	-----
	0	0
	-----	-----
	\$ 926	\$ 959
	=====	=====

LIABILITIES AND STOCKHOLDERS' DEFICIT

CURRENT LIABILITIES:

Notes payable	\$ 400,000	\$ 400,000
Accounts payable	1,281	279,686
Accrued expenses:		
Compensation	354,500	354,500
Interest	268,634	217,134
Other	9,027	31,965
	-----	-----
Total current liabilities	1,033,442	1,283,285
	-----	-----

COMMITMENTS AND CONTINGENCIES (NOTES 7 AND 10)

STOCKHOLDERS' DEFICIT:

Common stock, \$0.001 par; 200,000,000 shares authorized; 9,886,641 shares issued and outstanding	9,887	9,887
Additional paid-in capital	6,182,981	6,168,281
Accumulated deficit	(7,225,384)	(7,460,494)
	-----	-----
	(1,032,516)	(1,282,326)
	-----	-----
	\$ 926	\$ 959
	=====	=====

See notes to financial statements

2

CENTURY PARK PICTURES CORPORATION CONSOLIDATED STATEMENTS OF OPERATIONS YEARS ENDED SEPTEMBER 30, 2001, 2000, AND 1999

	2001	2000	1999
	-----	-----	-----
REVENUE	\$ 0	\$ 0	\$
OPERATING COSTS AND EXPENSES:	15,569	14,149	15,53
	-----	-----	-----
OPERATING LOSS	(15,569)	(14,149)	(15,53
	-----	-----	-----

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

NONOPERATING EXPENSE:

Interest expense	(51,500)	(51,500)	(51,49
	-----	-----	-----
	(51,500)	(51,500)	(51,49
	-----	-----	-----
LOSS FROM CONTINUING OPERATIONS	(67,069)	(65,649)	(67,02
	-----	-----	-----
DISCONTINUED OPERATIONS (SEE NOTE 12):			
Loss from operations of ITC (less applicable income taxes of \$426)			(350,33
Equity in net income from operations of WBPI (less applicable income taxes of \$0)			74,64
	-----	-----	-----
	0	0	(275,68
	-----	-----	-----
LOSS BEFORE EXTRAORDINARY ITEM	(67,069)	(65,649)	(342,71
	-----	-----	-----
EXTRAORDINARY ITEMS (SEE NOTE 13):			
Gain on extinguishment of debt (less applicable income taxes of \$0)	302,179		
	-----	-----	-----
NET INCOME (LOSS)	\$ 235,110	\$ (65,649)	\$ (342,71
	=====	=====	=====
Loss from continuing operations per share of common stock	\$ (0.01)	\$ (0.01)	\$ (0.0
	=====	=====	=====
Income (loss) from discontinued operations per share of common stock	\$ 0.00	\$ 0.00	\$ (0.0
	=====	=====	=====
Income from extraordinary item per share of common stock	\$ 0.03	\$ 0.00	\$ 0.0
	=====	=====	=====
Net income (loss) per share of common stock	\$ 0.02	\$ (0.01)	\$ (0.0
	=====	=====	=====
Weighted average number of common shares	9,886,641	9,886,641	9,886,64
	=====	=====	=====

See notes to financial statements

3

CENTURY PARK PICTURES CORPORATION
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
YEARS ENDED SEPTEMBER 30, 2001, 2000, AND 1999

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

	Common Stock Issued		Additional	Accumul
	Shares	Amount	Paid-In Capital	Defic
Balance, September 30, 1998	9,886,641	\$ 9,887	\$ 4,906,736	\$ (7,05
Forgiveness of debt by officer and transfer of assets			1,254,126	
Net loss				(34
Balance, September 30, 1999	9,886,641	9,887	6,160,862	(7,39
Advances from officer			7,419	
Net loss				(6
Balance, September 30, 2000	9,886,641	9,887	6,168,281	(7,46
Advances from officer			14,700	
Net income				23
Balance, September 30, 2001	9,886,641	\$ 9,887	\$ 6,182,981	\$ (7,22

See notes to financial statements

4

CENTURY PARK PICTURES CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2001, 2000, AND 1999

INCREASE (DECREASE) IN CASH

	2001	2000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Continuing operations:		
Net income (loss)	\$ 235,110	\$ (65,64
Adjustments to reconcile net loss to net cash used in operating activities:		
Gain on extinguishment of debt	(302,179)	
	(67,069)	(65,64
Increase (decrease) in liabilities:		
Accounts payable	836	(2,29
Accrued expenses	51,500	60,52

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

CASH PROVIDED (USED) BY CONTINUING OPERATIONS BEFORE INCOME TAXES	(14,733)	(7,41
	-----	-----
Discontinued operations (See Note 12):		
Net income (loss)		
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation		
Amortization		
Loss on disposal of property and equipment		
Equity in net (income) loss of unconsolidated subsidiary		
(Increase) decrease in assets:		
Accounts receivable		
Inventories		
Deferred shows costs		
Prepaid expenses		
Increase (decrease) in liabilities:		
Accounts payable		
Deferred revenue		
Accrued expenses		
	-----	-----
CASH PROVIDED BY DISCONTINUED OPERATIONS BEFORE INCOME TAXES	0	
	-----	-----
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(14,733)	(7,41
	-----	-----
See notes to financial statements		
	2001	2000
	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES:		
Discontinued operations:		
Purchases of property, plant, and equipment	\$	\$
	-----	-----
NET CASH USED IN INVESTING ACTIVITIES	0	
	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES:		
Continuing operations:		
Advances from officer	14,700	7,41
Discontinued operations:		
Cash transferred with disposition of ITC		
Net payments on short-term notes		
Payments on long-term capitalized lease obligation		
	-----	-----
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	14,700	7,41
	-----	-----
NET INCREASE (DECREASE) IN CASH	(33)	

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

CASH AT BEGINNING OF YEAR	33	2
CASH AT END OF YEAR	\$ 0	\$ 3

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

Cash paid during the year for interest	\$ 0	\$
Cash paid during the year for income taxes	\$ 0	\$

5

CENTURY PARK PICTURES CORPORATION NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED SEPTEMBER 30, 2001, 2000, AND 1999

1. DESCRIPTION OF BUSINESS AND CONSOLIDATION:

CENTURY PARK PICTURES CORPORATION (the Company) is engaged in the development, production, and marketing of entertainment properties.

International Theatres Corporation (ITC) was a 100 percent owned subsidiary, which owned and operated the Chanhassen Dinner Theatres in Chanhassen, Minnesota. During the year ended September 30, 1999, ITC was transferred to the majority shareholder (see Note 12). During the normal course of business, ITC granted credit to its corporate clients. ITC performed on-going credit evaluations of its customers' financial condition and generally required no collateral from them.

Minnesota Arena Football, Inc. dba Minnesota Fighting Pike (Pike), a 100 percent owned subsidiary, was an indoor professional football team that the Company obtained the rights to during the fiscal year ended September 30, 1996. The Pike ceased operations on August 31, 1996. During the year ended September 30, 1999, the Pike recognized income of \$627,835 due to forgiveness of debt to a shareholder and a related company. As of December 31, 1999, Minnesota Arena Football was legally dissolved. During the year ended September 30, 2001, all outstanding liabilities of Minnesota Arena Football were written off (see Note 13).

Investment in common stock of WBPI:

The Company had a 30 percent investment in Willy Bietak Productions, Inc. (WBPI), which produced touring ice shows and theme shows appearing in shopping malls, theaters, casinos, arenas, and major amusement parks throughout the United States. During the year ended September 30, 1999, WBPI was transferred to the majority shareholder (see Note 12).

The Company used the equity method of accounting for its 30 percent investment in WBPI. Under this method, the Company's equity in the

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

earnings or losses of the investee was reported currently in the Company's earnings. However, losses of the investee were reported only to the extent of the carrying amount of the investment plus any Company advances or commitments.

Principals of consolidation:

The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, the Pike. All significant intercompany transactions and balances have been eliminated in consolidation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Use of estimates:

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates that were used.

6

CENTURY PARK PICTURES CORPORATION NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED SEPTEMBER 30, 2001, 2000, AND 1999

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Property and equipment:

Property and equipment consists of furniture and fixtures and is stated at the lower of depreciated cost or net realizable value. All assets are fully depreciated at December 31, 2001 and therefore, no depreciation expense has been recorded.

Income taxes:

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes recognized for accrued expenses and operating losses that are available to offset future federal income taxes (see Note 6).

Advertising costs:

Advertising costs are charged to operations when the advertising first takes place. Advertising expense for the periods ended September 30, 2001, 2000 and 1999 were \$0, \$0 and \$201,346, respectively.

Earnings per share:

The Company's net income (loss) per share is computed based upon the weighted average number of common shares outstanding during the year using the treasury stock method. There are no dilutive common shares outstanding because the exercise price of outstanding stock options exceeds the current market price of a share of the Company's common stock. Therefore, normal earnings per share and dilutive earnings per share are the same.

3. RELATED PARTY TRANSACTIONS:

During the years ended September 30, 2001, 2000 and 1999, the Company's

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

chief executive officer (CEO) provided short-term advances of \$14,700, \$7,419 and \$2,700, respectively, to the Company. This amount was required to be reported as additional paid-in capital in the accompanying consolidated financial statements. During 1999 the advances contained specific repayment provisions and when repayments occur, there will be a reduction of additional paid-in capital.

As of September 30, 2001, 2000 and 1999, the Company owed the Company's CEO \$227,500 for cumulative accrued salary. This amount is included in accrued expenses on the accompanying consolidated balance sheets.

4. INVESTMENT IN UNCONSOLIDATED SUBSIDIARY:

During the year ended September 30, 1999, the Company's investment in WBPI was transferred to the Company's majority shareholder as partial repayment of the advances the majority shareholder made to the Company (see Note 12).

7

CENTURY PARK PICTURES CORPORATION NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED SEPTEMBER 30, 2001, 2000, AND 1999

4. INVESTMENT IN UNCONSOLIDATED SUBSIDIARY (CONTINUED):

Condensed financial information of WBPI as of September 30, 1999 was as follows:

OPERATIONS	
Admissions revenues	\$ 1,305,657
Operating costs	(921,656)
General and administrative costs	(138,716)
Nonoperating income	6,401
Income tax expense	(2,864)

Net income (loss)	\$ 248,822
	=====
30% share	\$ 74,647
	=====

5. NOTES PAYABLE:

The Company has notes payable to various individuals totaling \$400,000 at September 30, 2001, 2000, and 1999. The notes bear interest at the rate of 12% to 15% and were secured by the Company's right, title, and interest in the Pike. The notes matured between June and December 1996. The notes are convertible into common stock of the Company. These notes are in default at September 30, 2001, 2000, and 1999. As of September 30, 2001, the holders of the notes had not exercised their right to convert.

6. INCOME TAXES:

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

The Company's net deferred tax assets and liabilities consisted of the following at September 30:

	2001		
	Federal	State	Total
Deferred tax assets:			
Other (current)	\$ 96,000	\$ 35,000	\$ 131,000
Net operating loss carryforwards (non-current)	932,000	77,000	1,009,000
	1,028,000	112,000	1,140,000
Valuation allowance	(1,028,000)	(112,000)	(1,140,000)
	\$ 0	\$ 0	\$ 0
Deferred tax liabilities	\$ 0	\$ 0	\$ 0

8

CENTURY PARK PICTURES CORPORATION NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED SEPTEMBER 30, 2001, 2000, AND 1999

6. INCOME TAXES (CONTINUED):

	2000		
	Federal	State	Total
Deferred tax assets:			
Other (current)	\$ 96,000	\$ 35,000	\$ 131,000
Net operating loss carryforwards (non-current)	937,000	100,000	1,037,000
	1,015,000	138,000	1,168,000
Valuation allowance	(1,033,000)	(138,000)	(1,168,000)
	\$ 0	\$ 0	\$ 0
Deferred tax liabilities	\$ 0	\$ 0	\$ 0

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

During the year ended September 30, 2000, certain estimates and assumptions were changed as they related to the net operating loss carryforwards. The effect of this change was to increase the estimated net operating loss carryforwards.

During the years ended September 30, 2001, 2000, and 1999, the Company recorded valuation allowances of \$ 1,140,000, \$1,168,000 and \$922,000, respectively, on the deferred tax assets to reduce the total amounts that management believes will ultimately be realized. Realization of deferred tax assets is dependent upon sufficient future taxable income during the period that deductible temporary differences and carryforwards are expected to be available to reduce taxable income. There was no other activity in the valuation allowance accounts.

The Company has loss carryforwards that may be offset against future taxable income. If not used, the carryforwards will expire as follows:

Expiration Date	Federal	State
-----	-----	-----
2002	\$ 3,000	\$
2003	31,000	
2004	34,000	
2005		30,000
2006	17,000	115,000
2007	17,000	130,000
2008	419,000	384,000
2010	486,000	30,000
2011	1,877,000	33,000
2012	162,000	2,000
2015	60,000	66,000
	-----	-----
	\$ 3,106,000	\$ 790,000
	=====	=====

9

CENTURY PARK PICTURES CORPORATION NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED SEPTEMBER 30, 2001, 2000, AND 1999

6. INCOME TAXES (CONTINUED):

The Company's provision for income taxes differs from applying the U.S. federal income tax rate of 34% to income before income taxes. A reconciliation between taxes computed at the federal statutory rate and the consolidated effective rate is as follows for the years ended September 30:

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

	2001	2000	1999
	-----	-----	-----
Income tax benefit from continuing operations at federal statutory rates	\$ (23,000)	\$ (24,000)	\$ (23,000)
Income tax expense (benefit) from discontinued operations at federal statutory rates			250,000
States taxes			1,000
Effect of limiting tax credit on net operating losses from continuing operations to taxes paid	23,000	24,000	23,000
Effect of limiting tax credit on net operating (income) losses from discontinued operations to taxes paid			(250,000)
	-----	-----	-----
	\$	\$	\$
	=====	=====	=====

7. COMMITMENTS AND CONTINGENCIES:

Operating leases:

The Company leases office space under a noncancelable operating lease that expires August 31, 2002. The space has been sub-leased to a Company owned by the Company's CEO. The Company incurred no expense related to this lease during the fiscal year ended September 30, 2001.

Prior to the transfer of ITC, the Company leased the land used in the operations of ITC and certain office equipment under noncancellable operating leases (see Note 12). Total rent expense under those leases for the year ended September 30, 1999 was \$58,448.

Capitalized leases (see Note 12):

Prior to the transfer of ITC, the Company leased the buildings used in the operations of ITC under a capitalized lease. Amortization expense was \$36,684, for the year ended September 30, 1999, and was included in depreciation expense on the accompanying financial statements. The disposition of the building and the capitalized lease was included in the transfer of ITC's assets.

10

CENTURY PARK PICTURES CORPORATION NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED SEPTEMBER 30, 2001, 2000, AND 1999

8. RETIREMENT PLANS (SEE NOTE 12):

Prior to its transfer, ITC had a 401(k) incentive savings plan covering substantially all of its non-union employees. Eligible employees could defer up to 10% of their compensation to the plan. ITC matched 25% of the employees' contribution up to 6% of the employees' compensation.

ITC also contributed to a retirement plan established by the union for its employees who were represented by a collective bargaining unit. The

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

required contribution was 8% of gross wages.

9. SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

Non-cash transactions:

During the year ended September 30, 2001, the charter of the Pike was dissolved. This resulted in a non-cash forgiveness of debt for the Company of \$302,179. Accounts payable was reduced by \$279,241, and accrued expenses were reduced by \$22,938.

During the year ended September 30, 1999, the Company's interest in ITC and WBPI was transferred to the Company's CEO as repayment of advances the CEO made to the Company (see Note 12). This resulted in a non-cash forgiveness of debt of \$452,719 for the Company, \$1,086,703 for ITC, and \$627,835 for the Pike.

10. CORPORATE LIQUIDITY (SEE NOTE 12):

During the fiscal year ended September 30, 1999, the Company incurred substantial losses of \$342,711, and had working capital deficits as of September 30, 2001, 2000 and 1999 of \$1,032,516, \$980,147, and \$1,224,096, respectively. Due to these losses, the Company has no liquidity and available cash resources to finance further operations.

During the fiscal year ended September 30, 1998, the Company's CEO made cash advances to the Company in order to meet cash flow needs. These advances were secured by the Company's shares of stock in ITC. On December 17, 1998, the Company's management, with approval by the Board of Directors, transferred the assets and operations of ITC and the Company's investment in WBPI to the CEO as partial repayment of the advances made to the Company. This left the Company without any on-going operating business or operating assets.

The Company's operations exclusive of its subsidiaries consist of acquisition searches and certain administrative costs, both of which could be scaled back and/or financed by the Company's CEO and major stockholder. Management intends to continue to explore options to purchase a company that will have sufficient cash flow to support operations.

11

CENTURY PARK PICTURES CORPORATION NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED SEPTEMBER 30, 2001, 2000, AND 1999

11. FAIR VALUE OF FINANCIAL INSTRUMENTS:

The estimated fair values of the Company's financial instruments, none of which are held for trading purposes, are as follows at September 30:

2001		2000	
Carrying Amount	Fair Value	Carrying Amount	Fair Value
-----	-----	-----	-----

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

Assets:				
Cash	\$	0	\$	0
			\$	33
			\$	33
Liabilities:				
Notes payable		400,000	400,000	400,000
			400,000	400,000

The carrying amounts of cash and the short-term notes payable approximate fair values.

12. DISCONTINUED OPERATIONS:

On December 17, 1998 the Board of Directors passed a resolution to transfer the Company's interest in ITC and WBPI to the Company's CEO as repayment of \$100,000 in advances the Company's CEO made to the Company (see Note 3). In setting the \$100,000 amount, the Board of Directors obtained and relied upon an independent market analysis of ITC and WBPI.

Revenues generated by ITC were \$2,267,889, for the period ended December 17, 1998. The loss from operations of ITC was \$350,331 for the period ended December 17, 1998, and included the writedown of goodwill in the amount of \$384,062 as a result of a review of the recoverability of the carrying amount of the goodwill.

On December 31, 1998 the Company's CEO forgave the remainder of the advances owed to him by the Company and the Pike. The amount of the advances forgiven and net gain on debt forgiveness were reported as additional paid-in capital in the accompanying consolidated financial statements. The net gain on debt forgiveness was as follows:

Company	\$	527,659
Pike		627,835

Advances forgiven		1,155,494
Net assets of WBPI transferred to CEO		(74,940)

Gain on debt forgiveness	\$	1,080,554
		=====

12

CENTURY PARK PICTURES CORPORATION NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED SEPTEMBER 30, 2001, 2000, AND 1999

13. EXTRAORDINARY ITEM:

During the year ended September 30, 2001, the Pike statute of limitations for payment of liabilities expired and liabilities of \$302,179 to unrelated parties were written off resulting in the following extraordinary gain:

Extraordinary gain on extinguishment of debt	\$	302,179
--	----	---------

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

Income taxes	(119,165)
Effect of net operating loss carry-forwards	119,165

Extraordinary gain net of income taxes	\$ 302,179
	=====

14. SEGMENT INFORMATION:

During the year ended September 30, 1999, the Company had two reportable segments: ITC and Pike (see Note 12). The Company's reportable segments were strategic business units that offer different products and services. They were managed separately because each business requires different technology and marketing strategies. Corporate operations include administrative expenses and corporate assets, which include cash and prepaid expenses. At September 30, 2001, the Company did not have any reportable segments.

13

CENTURY PARK PICTURES CORPORATION NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) YEARS ENDED SEPTEMBER 30, 2001, 2000, AND 1999

14. SEGMENT INFORMATION (CONTINUED):

Segment information is as follows:

	Fiscal year ended September 30,	ITC	Pike	Corporate	Total
	-----	-----	-----	-----	-----
Segment profit	2001	\$	\$	\$ (67,069)	\$ (67,
	2000			(65,649)	(65,
	1999			(67,027)	(67,
	-----	-----	-----	-----	-----
Interest expense	2001			51,500	51,
	2000			51,500	51,
	1999			51,497	51,
	-----	-----	-----	-----	-----
Depreciation	2001				
	2000				
	1999				
	-----	-----	-----	-----	-----
Income (loss) from discontinued operations	2001				
	2000				
	1999	(350,331)		74,647	(275,
	-----	-----	-----	-----	-----
Extraordinary	2001		302,179		302,

Edgar Filing: CENTURY PARK PICTURES CORP - Form 10-K

item	2000	
	1999	

Identifiable	2001	926
assets	2000	959

Capital	2001	
expenditures	2000	

Revenues from external customers, revenues from transactions with other segments, interest revenue, equity in the net income of investees accounted for by the equity method and income tax expense or benefit were zero for the years ended September 30, 2000, 1999, and 1998.