



**SEC EXEMPTION #82-4245**

ENTERTAINMENT & MULTIMEDIA LIMITED

Monday, October 17, 2005



05012006

Office of International Finance  
Securities & Exchange Commission  
Corporate Filing  
450 Fifth Street, NW  
Washington, DC 20549  
USA

SUPPL

Dear Sir or Madam:

**RE: Exemption #82-4245**

We are submitting current public filings as required under rule 12g3-2(b).

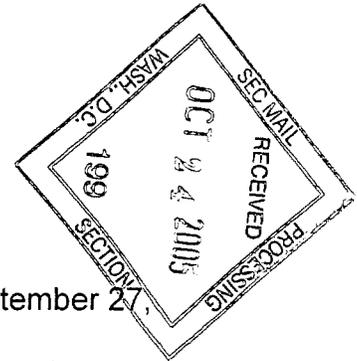
Yours truly,

John Grzybowski  
Chief Financial Officer  
BFS Entertainment & Multimedia Limited

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FINANCIAL



Enclosures:

- Voting Results – Fiscal 2005 Shareholders' Meeting – September 27, 2005
- Press Release – September 20, 2005 (Normal Course Issuer Bid)
- Press Release – October 5, 2005 (First Quarter Results – Fiscal 2006)
- First Quarter Interim Report – 13 weeks ended August 6, 2005
- Certificate of Interim Filing - CEO
- Certificate of Interim Filing - CFO

*dlw 10/25*



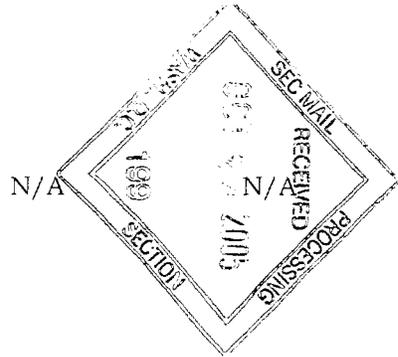
**Annual Meeting of the Shareholders of  
BFS Entertainment & Multimedia Limited (the "Issuer")**

**September 27, 2005  
Toronto, Ontario**

**REPORT OF VOTING RESULTS**  
*National Instrument 51-102 - Continuous Disclosure Obligations  
(Section 11.3)*

**Matters Voted Upon**

Item	Outcome of Vote	Votes by Ballot	
		Votes For	Votes Withheld/Against
1. The election of the following nominees as directors of the Issuer for the ensuing year or subject to the Issuer's by-laws and to applicable laws, until their successors are elected or appointed:  (a) Denis B.E. Donnelly (b) David E. Chapman (c) Warren Palitz (d) Mark Shoniker (e) C. Mark Zeilstra	passed	N/A	N/A
2. The reappointment of Lipton, Wiseman, Altbaum & Partners LLP, Chartered Accountants, as auditors of the Issuer to hold office until the next annual meeting and authorizing the directors to fix their remuneration.	passed	N/A	N/A



DATED this 5<sup>th</sup> day of October, 2005.

**BFS Entertainment & Multimedia Limited**

By: "signed" Denis B.E. Donnelly  
Name: Denis B.E. Donnelly  
Title: President & CEO



ENTERTAINMENT & MULTIMEDIA LIMITED

**P R E S S   R E L E A S E**

Tuesday, September 20, 2005

For Immediate Release

Stock Symbol (TSX Venture Exchange): BFS

**BFS ENTERTAINMENT & MULTIMEDIA LIMITED  
ANNOUNCES NORMAL COURSE ISSUER BID**

**Richmond Hill, Ontario, Canada, Tuesday, September 20, 2005: BFS Entertainment & Multimedia Limited ("BFS")** announced today that the TSX Venture Exchange has accepted BFS' notice of intention to make a normal course issuer bid for its common shares through the facilities of the TSX Venture Exchange.

On September 21, 2005, BFS may commence making purchases of up to a maximum of 423,283 common shares, which represents 5.4% of its issued and outstanding common shares and 10% of the 4,232,833 common shares of BFS held by persons other than senior officers, directors and principal shareholders of BFS. Any shares acquired will be purchased at the market price for the common shares at the time of acquisition and will be cancelled. Don Ross of Jones Gable & Company Limited will be the broker conducting the normal course issuer bid on behalf of the Company. The bid will terminate on the earlier of the date determined by BFS and September 20, 2006. BFS currently has 7,898,333 issued and outstanding common shares.

During the period ended August 29, 2005 (i.e. the period of the Company's most recently completed normal course issuer bid), 72,500 common shares were purchased for \$11,423 by the Company pursuant to such normal course issuer bid. Since August 29, 2005, the Company has made no further purchases of its common shares.

Proceeding with the normal course issuer bid will give BFS the flexibility to purchase its common shares if it determines that, as a result of the difference between BFS' view of the fundamental value of the common shares and the market price, it is in the best interest of BFS to do so.

**BFS Entertainment & Multimedia Limited** manufactures, markets and distributes under the **BFS Video** and **American Home Treasures** video labels, a wide range of home entertainment DVDs for resale to retail and catalogues throughout North America. The company's strategy is to continue to acquire new programming for North America and to expand its distribution channels.

(SEC Rule 12g exemption #82-4245)

For further information, please contact:  
John Grzybowski, MBA, CA  
Chief Financial Officer  
E-mail: [ir@bfsent.com](mailto:ir@bfsent.com)  
Tel: (905) 884-2323  
Fax: (905) 884-8292  
Corporate Website: [www.bfsent.com](http://www.bfsent.com)



ENTERTAINMENT & MULTIMEDIA LIMITED

P R E S S R E L E A S E

Wednesday, October 5, 2005

For Immediate Release:

Stock Symbol: TSX Venture Exchange: BFS

**BFS ENTERTAINMENT & MULTIMEDIA LIMITED  
ANNOUNCES FIRST QUARTER RESULTS**

**BFS Entertainment & Multimedia Limited** of Richmond Hill, Ontario, announced its unaudited consolidated financial and operating results for the first quarter ended August 6, 2005.

Sales for the quarter were \$1,876,993 compared to \$1,808,892 during the same quarter last year, representing an increase of 4%. Operating earnings were \$135,871 compared to \$117,913 last year. Net earnings for the quarter were \$394 (\$0.00 per share) compared to a net loss of \$41,991 (\$0.01 per share) in the same quarter last year.

Denis B.E. Donnelly, President and CEO stated, "Historically, our first quarter (of the fiscal year) has been our weakest, but in fiscal 2006 we have improved this position and reached a breakeven situation.

We continue to look for and to add quality programming to control our costs as we work towards a more profitable future."

<b>FINANCIAL HIGHLIGHTS</b> (unaudited)	Thirteen weeks ended	
	August 6, 2005	July 31, 2004
Sales	\$ 1,876,933	\$ 1,808,892
Operating earnings (EBITDA) <sup>1</sup>	135,871	117,913
Earnings (loss) before income taxes	585	(63,180)
Income taxes (recovered)	191	(21,189)
Net earnings (loss)	394	(41,991)
Basic and diluted earnings (loss) per share	0.00	(0.01)

1. BFS uses operating earnings (EBITDA) to assess the operating performance of its business. Operating earnings (EBITDA) represents earnings before interest, income taxes and amortization. Operating earnings (EBITDA) do not have a standardized meaning prescribed by generally accepted accounting principles and therefore, is unlikely to be comparable to operating earnings (EBITDA) as reported by other publicly traded companies.

**BFS Entertainment & Multimedia Limited** manufactures, markets and distributes under the **BFS Video** and **American Home Treasures** video labels, a wide range of home entertainment DVDs for resale to retail and catalogues throughout North America.

(SEC Rule 12g exemption #82-4245)

For further information, please contact:

John Grzybowski, MBA, CA

Chief Financial Officer

E-mail: [ir@bfsent.com](mailto:ir@bfsent.com)

Tel: (905) 884-2323

Fax: (905) 884-8292

Corporate Website: [www.bfsent.com](http://www.bfsent.com)



SEC EXEMPTION #82-4245

ENTERTAINMENT & MULTIMEDIA LIMITED

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**FORM 52-109F2  
CERTIFICATION OF INTERIM FILINGS**

I, Denis B.E. Donnelly, the President and Chief Executive Officer of BFS Entertainment & Multimedia Limited, certify that:

1. I have reviewed the interim filings (as this term is defined in Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings) of BFS Entertainment & Multimedia Limited, (the issuer) for the interim period ending August 6, 2005;
2. Based on my knowledge, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings;
3. Based on my knowledge, the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date and for the periods presented in the interim filings;
4. The issuer's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures and internal control over financial reporting for the issuer, and we have:
  - (a) designed such disclosure controls and procedures, or caused them to be designed under our supervision, to provide reasonable assurance that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which the interim filings are being prepared; and
  - (b) designed such internal control over financial reporting, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP; and
5. I have caused the issuer to disclose in the interim MD&A any change in the issuer's internal control over financial reporting that occurred during the issuer's most recent interim period that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting.

Date: October 5, 2005

"signed" Denis B.E. Donnelly  
President and Chief Executive Officer



ENTERTAINMENT & MULTIMEDIA LIMITED

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**FORM 52-109F2  
CERTIFICATION OF INTERIM FILINGS**

I, John Grzybowski, the Chief Financial Officer of BFS Entertainment & Multimedia Limited, certify that:

1. I have reviewed the interim filings (as this term is defined in Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings) of BFS Entertainment & Multimedia Limited, (the issuer) for the interim period ending August 6, 2005;
2. Based on my knowledge, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings;
3. Based on my knowledge, the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date and for the periods presented in the interim filings;
4. The issuer's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures and internal control over financial reporting for the issuer, and we have:
  - (a) designed such disclosure controls and procedures, or caused them to be designed under our supervision, to provide reasonable assurance that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which the interim filings are being prepared; and
  - (b) designed such internal control over financial reporting, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP; and
5. I have caused the issuer to disclose in the interim MD&A any change in the issuer's internal control over financial reporting that occurred during the issuer's most recent interim period that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting.

Date: October 5, 2005

"signed" John Grzybowski  
Chief Financial Officer

# MANAGEMENT'S DISCUSSION AND ANALYSIS

This management's discussion and analysis of the financial results of BFS Entertainment & Multimedia Limited should be read in conjunction with the unaudited financial statements and related notes for the period ending August 6, 2005 and the audited financial statements and related notes for the period ending May 7, 2005. The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles. All information is presented in Canadian dollars.

This information contained in this management's discussion and analysis report updates for the year ended May 7, 2005 for material changes that have taken place. These consolidated financial statements, accompanying notes, and management's discussion and analysis have not been reviewed by an auditor.

Additional information relating to BFS is filed at [www.sedar.com](http://www.sedar.com). This management's discussion and analysis is dated September 23, 2005.

## RESULTS FROM OPERATIONS

Selected annual information of operations data	Thirteen Weeks Ending		
	Aug. 6, 2005	July 31, 2004	Aug. 2, 2003
Sales	\$ 1,876,993	\$ 1,808,892	\$ 1,463,720
Cost of goods sold	694,795	563,350	477,471
Gross profit	1,182,198	1,245,542	985,979
Gross profit %	63%	69%	67%
Operating earnings	\$ 135,871	\$ 117,913	\$ 224,242
Selling and administrative expenses	1,046,327	1,127,629	761,737
Interest expense	4,311	17,935	58,462
Amortization	130,975	163,128	279,338
Net earnings (loss)	394	(41,991)	(31,787)
Basic and diluted earnings per share	\$ 0.00	\$ 0.01	\$ 0.00
Weighted average number of shares	7,898,833	7,970,833	7,970,833

**Sales** for the quarter were \$1,876,993 compared to \$1,808,892 during the same quarter last year, a 4% increase over the prior year.

**Gross profit** for the quarter was \$1,182,198 (63% of sales) compared to \$1,245,542 (69% of sales) in the prior year.

**Selling and administrative expenses** for the quarter were \$1,046,327 (56% of sales) compared to \$1,127,629 (62% of sales) in the prior year.

**Amortization** of capital assets and deferred development costs was \$130,975 compared to \$163,128 in the prior year.

**Operating earnings before interest, income taxes and amortization (EBITDA)** were \$135,871 this quarter compared to \$117,913 in the prior year.

The corporation uses operating earnings to assess the operation performance of its business. Operating earnings represent earnings before interest, income taxes and amortization. Operating earnings do not have a standardized meaning prescribed by generally accepted accounting principles and therefore, is unlikely to be comparative to operating earnings as reported by other publicly traded companies.

**Earnings before taxes** in this quarter were \$585 compared to a loss \$63,180 in the prior year.

**Net earnings** for the quarter were \$394 or \$0.00 per share for the year, compared to a net loss of \$41,991 or \$0.01 per share in the prior year.

**Weighted average number of shares outstanding** for the year was 7,898,833.

## FINANCIAL CONDITION AT AUGUST 6, 2005

Selected data on financial condition	Thirteen Weeks Ending		
	August 6, 2005	July 31, 2004	Aug. 2, 2003
Bank indebtedness	\$ 125,138	\$ 979,824	\$ 1,511,303
Net working capital	1,788,990	1,687,256	1,622,577
Total assets	3,983,357	4,777,721	5,831,280
Total long-term liabilities	29,449	31,495	395,394
Total liabilities	919,933	1,621,282	2,751,719
Shareholders' equity	3,063,424	3,156,439	3,079,561

**Total assets** of the corporation at the end of this quarter amounted to \$3,983,357 compared to \$4,777,721 in the prior year, primarily due to a decrease in accounts receivable and inventories

**Accounts receivable** decreased to \$640,225 from \$978,080 in the prior year, resulting from a continued increase in direct to consumer sales. Direct to consumer sales require payment prior to shipment and only in the form of credit card charge or cheque.

**Inventory** decrease to \$915,156 from the \$1,337,137 in the prior year due to an increase in fiscal 2005 in the allowance for the anticipated obsolescence of the remaining VHS formatted product and lower inventory levels consisting of DVD only formatted product.

**Prepaid royalties** for video products increased to \$956,456 from \$852,102 in the prior year.

**Investment in productions** increased to \$254,437 from \$182,901 in the prior year due to the addition of post-production costs.

**Net capital assets** decreased to \$651,651 from \$885,856 in the prior year, primarily due to additional amortization.

**Deferred development costs** of \$29,668 compared to \$35,561 in the prior year which were incurred during the year related to the design and development of DVD products.

**Total liabilities** decreased to \$919,933 from \$1,621,281 in the prior year mainly due to a reduction in bank indebtedness.

**Shareholders' equity** decreased to \$3,063,424 from \$3,156,439 in the prior year. The share capital as at August 6, 2005, was \$2,119,624 with 7,898,833 shares outstanding compared to 2,131,047 with 7,970,833 outstanding in the prior year.

## CAPITAL REQUIREMENTS, RESOURCES AND LIQUIDITY

At August 6, 2005, the Company had an operating line of credit of \$2,000,000 of which approximately \$60,000 was outstanding. A registered general agreement providing a first charge over all accounts receivable, inventories and equipment, other than leased assets, has been provided as security for this operating line of credit.

On September 19, 2005, the corporation received approval from the TSX Venture Exchange to purchase pursuant to a normal course issuer bid expiring on September 20, 2006, a maximum of 423,283 shares of the corporation for cancellation. Pursuant to the approval, the corporation has purchased no shares for cancellation.

## Report to Shareholders

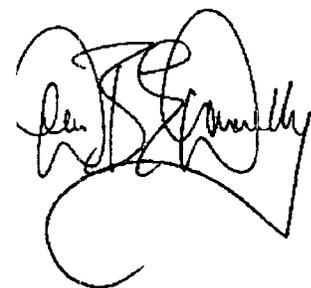
We are reporting our unaudited consolidated financial and operating results for the first quarter ended August 6, 2005.

Sales for the quarter were \$1,876,993 compared to \$1,808,892 during the same quarter last year, representing an increase of 4%. Operating earnings were \$135,871 compared to \$117,913 last year. Net earnings for the quarter were \$394 (\$0.00 per share) compared to a net loss of \$41,991 (\$0.01 per share) in the same quarter last year.

Historically, our first quarter (of the fiscal year) has been our weakest, but in fiscal 2006 we have improved this position and reached a breakeven situation.

We continue to look for and add quality programming and to control our costs as we work towards a more profitable future.

BFS Entertainment & Multimedia Limited manufactures, markets and distributes under the BFS Video and American Home Treasures video labels, a wide range of home entertainment DVDs for resale to retail and catalogues throughout North America.



Denis B.E. Donnelly  
Chairman, President & CEO  
September 23, 2005

Shareholders and other individuals requesting copies of the Annual and Quarterly Reports should contact:

### INVESTOR RELATIONS

#### **BFS ENTERTAINMENT & MULTIMEDIA LIMITED**

360 Newkirk Road, Richmond Hill, Ontario L4C 3G7

Tel (905) 884-2323 Fax (905) 884-8292

Email: [ir@bfsent.com](mailto:ir@bfsent.com) Corporate Website: [www.bfsent.com](http://www.bfsent.com)

E-Commerce Website: [www.collectablesdirect.com](http://www.collectablesdirect.com)

# BFS

ENTERTAINMENT & MULTIMEDIA LIMITED

# FIRST QUARTER REPORT

For the First Three Months  
Ended August 6, 2005



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**Consolidated Statements of Operations***(Unaudited)**For the period ended*

	August 6, 2005 13 Weeks Ended	July 31, 2004 13 Weeks Ended
<b>Sales</b>	<b>\$ 1,876,993</b>	<b>\$ 1,808,892</b>
<b>Cost of goods sold</b>	<b>694,795</b>	<b>563,350</b>
<b>Gross profit</b>	<b>1,182,198</b>	<b>1,245,542</b>
Selling expenses	482,284	475,913
Administrative expenses	564,043	651,716
Total selling and administrative expenses	1,046,327	1,127,629
<b>Operating earnings before interest, income taxes and amortization (EBITDA) (Note 1b)</b>	<b>135,871</b>	<b>117,913</b>
Interest expense	4,311	17,935
Amortization	130,975	163,158
<b>Earnings (loss) before income taxes</b>	<b>585</b>	<b>( 63,180)</b>
Income taxes - current	191	( 7,939)
Income taxes - future	-	( 13,250)
	191	( 21,189)
<b>Net earnings (loss)</b>	<b>\$ 394</b>	<b>\$ ( 41,991)</b>
<b>Basic and diluted earnings (loss) per share (Note 3)</b>	<b>\$ 0.00</b>	<b>\$ ( 0.01)</b>

**Consolidated Statements of Retained Earnings***(Unaudited)**For the period ended*

	August 6, 2005 13 Weeks Ended	July 31, 2004 13 Weeks Ended
Retained earnings – beginning of period	\$ 943,406	\$ 1,067,383
Net earnings (loss)	394	( 41,991)
Retained earnings – end of period	\$ 943,800	\$ 1,025,392

The accompanying notes are an integral part of the Interim Consolidated Financial Statements.

**Notes to Interim Consolidated Financial Statements (unaudited)****1. Summary of Significant Accounting Policies**

The significant accounting policies used in these unaudited interim consolidated financial statements conform with those presented in the corporation's May 7, 2005 audited annual consolidated financial statements. These interim consolidated financial statements do not include all of the disclosures included in the annual consolidated financial statements and accordingly should be read in conjunction with the annual consolidated financial statements.

**a)** These consolidated financial statements and accompanying notes have not been reviewed by an auditor.

**b)** The corporation uses operating earnings to assess the operation performance of its business. Operating earnings represent earnings before interest, income taxes and amortization. Operating earnings do not have a standardized meaning prescribed by generally accepted accounting principles and therefore, is unlikely to be comparative to operating earnings as reported by other publicly traded companies.

**2. Bank Indebtedness**

As of August 6, 2005, the corporation had an operating line of credit in the amount of \$2,000,000 (May 7, 2005 – \$2,000,000) of which approximately \$60,000 (May 7, 2005 – \$135,000) was outstanding at that date. The outstanding portion of the line of credit bears interest at the bank prime rate plus 0.5% per annum payable monthly. A general security providing a first charge over all accounts receivable, inventories and equipment, other than leased assets, has been pledged as security for this operating line of credit.

**Consolidated Balance Sheets**

**SEC EXEMPTION #82-4245**

As at	August 6, 2005 <i>Unaudited</i>	May 7, 2005 <i>Audited</i>
<b>Assets</b>		
Current		
Accounts receivable	\$ 640,225	\$ 768,946
Inventories	915,156	994,088
Prepaid video royalties	956,456	851,774
Prepaid expenses and deposits	167,637	125,233
	<b>2,679,474</b>	<b>2,740,041</b>
Investment in productions	254,437	241,840
Future income taxes	95,800	95,800
Deferred development costs	301,995	309,501
Capital assets	651,651	716,484
	<b>\$ 3,983,357</b>	<b>\$ 4,103,666</b>
<b>Liabilities</b>		
Current		
Bank indebtedness (Note 2)	\$ 125,138	\$ 118,633
Accounts payable and accrued liabilities	715,334	833,950
Income taxes payable	17,157	16,966
Capital lease obligations due within one year	32,855	34,686
	<b>890,484</b>	<b>1,004,235</b>
Capital lease obligations	29,449	36,401
	<b>919,933</b>	<b>1,040,636</b>
<b>Shareholders' Equity</b>		
Capital stock (Note 3)	2,119,624	2,119,624
Retained earnings	943,800	943,406
	<b>3,063,424</b>	<b>3,063,030</b>
	<b>\$ 3,983,357</b>	<b>\$ 4,103,666</b>

The accompanying notes are an integral part of the Interim Consolidated Financial Statements.

**3. Capital Stock**

**Authorized**

Unlimited common shares

**Issued - Common Shares**

	Shares	Amount
Balance - beginning of year	7,898,833	\$ 2,119,624
Balance - end of period	7,898,833	\$ 2,119,624

The following table sets out the computation of basic and diluted earnings per share.

	August 6, 2005	July 31, 2004
<b>Numerator:</b>		
Net loss available to common shareholders	\$ 394	\$ (41,991)
<b>Denominator:</b>		
Weighted average shares for basic earnings per share	7,898,833	7,970,833
Net loss per share	\$ 0.00	\$ (0.01)

On September 19, 2005, the corporation received approval from the TSX Venture Exchange to purchase pursuant to a normal course issuer bid expiring on September 20, 2006, a maximum of 423,283 shares of the corporation for cancellation. Pursuant to the approval, the corporation has purchased no shares for cancellation.

**Consolidated Statements of Cash Flows***(Unaudited)**For the period ended***August 6, 2005**

July 31, 2004

*13 Weeks Ended**13 Weeks Ended***Operating activities**

Net earnings (loss)	\$	394	\$	(41,991)
Items not affecting cash:				
Future income taxes recovered		-		(13,250)
Forgiveness of loan receivable		-		14,000
Amortization of capital assets		93,800		119,911
Amortization of deferred development costs		37,174		43,247
		<b>131,368</b>		<b>121,917</b>
Net changes in non-cash working capital balances		<b>(57,858)</b>		<b>141,764</b>
Cash flows provided by operating activities		<b>73,510</b>		<b>263,681</b>

**Financing activities**

Increase (decrease) in bank borrowings		6,505		(103,759)
Repayment of capital lease obligations		(8,783)		( 6,645)
Repayment of long-term debt		-		( 62,500)
Cash flows used in financing activities		<b>(2,278)</b>		<b>(172,904)</b>

**Investing activities**

Additions to capital assets		(28,967)		( 20,659)
Additions to investment in productions		(12,597)		( 34,557)
Additions to deferred development costs		(29,668)		( 35,561)
Cash flows used in investing activities		<b>(71,232)</b>		<b>( 90,777)</b>
Net change in cash and cash equivalents		-		-
Cash and cash equivalents, beginning and end of period	\$	-	\$	-

The accompanying notes are an integral part of the Interim Consolidated Financial Statements.