

Edgar Filing: RENAISSANCE ENTERTAINMENT CORP - Form 10-Q

RENAISSANCE ENTERTAINMENT CORP
Form 10-Q
May 15, 2002

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-QSB

Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

For the quarterly period ended MARCH 31, 2002

or

Transition Report Pursuance to Section 13 or 15(d) of the Securities Exchange act of 1934.

For the transition period from to

Commission File Number 0-23782

RENAISSANCE ENTERTAINMENT CORPORATION
(Exact name of registrant as specified in its charter)

COLORADO	84-1094630
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

275 CENTURY CIRCLE, SUITE 102, LOUISVILLE, COLORADO	80027
(Address of principal executive offices)	(Zip Code)

(303) 664-0300
(Registrant's telephone number, including area code)

(Former Address)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes / / No

APPLICABLE ONLY TO CORPORATE ISSUERS:

As of May 13, 2002, Registrant had 2,144,889 shares of common stock, \$.03 Par Value, outstanding.

INDEX

Page
Number

PART I. FINANCIAL INFORMATION

Item I. Financial Statements

Edgar Filing: RENAISSANCE ENTERTAINMENT CORP - Form 10-Q

Balance Sheets as of March 31, 2002 (Unaudited) and December 31, 2001	3
Statements of Operations for the Three Months Ended March 31, 2002 and 2001 (Unaudited)	4
Statements of Cash Flows for the Three Months Ended March 31, 2002 and 2001 (Unaudited)	5
Notes to Financial Statements	5
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	8
 PART II. OTHER INFORMATION	 13

This report contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended, and is subject to the safe harbors created by those sections. These forward-looking statements are subject to significant risks and uncertainties, including those identified in the section of this Form 10-QSB entitled "Factors That May Affect Future Operating Results," which may cause actual results to differ materially from those discussed in such forward-looking statements. The forward-looking statements within this Form 10-QSB are identified by words such as "believes," "anticipates," "expects," "intends," "may," "will" and other similar expressions. However, these words are not the exclusive means of identifying such statements. In addition, any statements which refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements. The Company undertakes no obligation to publicly release the results of any revisions to these forward-looking statements which may be made to reflect events or circumstances occurring subsequent to the filing of this Form 10-QSB with the Securities and Exchange Commission ("SEC"). Readers are urged to carefully review and consider the various disclosures made by the Company in this report and in the Company's other reports filed with the SEC that attempt to advise interested parties of the risks and factors that may affect the Company's business.

2

RENAISSANCE ENTERTAINMENT CORPORATION BALANCE SHEETS

		March 31, 2002

		(Unaudited)
ASSETS		
Current Assets:		
Cash and equivalents	\$	275,
Accounts receivable (net)		15,
Inventory		155,

Edgar Filing: RENAISSANCE ENTERTAINMENT CORP - Form 10-Q

Note receivable, current portion	18,
Prepaid expenses and other	423,

Total Current Assets	887,
Property and equipment, net of accumulated depreciation	2,770,
Note receivable, net of current portion	106,
Other assets	457,

TOTAL ASSETS	\$ 4,221,
	=====
LIABILITIES AND STOCKHOLDERS' EQUITY	
Current Liabilities:	
Accounts payable and accrued expenses	\$ 643,
Notes payable, current portion	312,
Lease obligation payable, current portion	1,
Unearned income	341,

Total Current Liabilities	1,299,
Lease obligation payable	3,976,
Notes payable, net of current portion	81,
Other	205,

Total Liabilities	5,563,

Stockholders' Equity:	
Common stock, \$.03 par value, 50,000,000 shares authorized, 2,144,889 and 2,144,889 shares issued and outstanding at March 31, 2002 and December 31, 2001, respectively	64,
Additional paid-in capital	9,430,
Accumulated earnings (deficit)	(10,836,

Total Stockholders' Equity	(1,341,

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 4,221,
	=====

The accompanying notes are an integral part of the financial statements.

3

RENAISSANCE ENTERTAINMENT CORPORATION

STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended March 31	
	2002	2001
	-----	-----
REVENUE:		

Edgar Filing: RENAISSANCE ENTERTAINMENT CORP - Form 10-Q

Sales	\$	8,308	\$
Faire operating costs		2,641	
		-----	-----
Gross Profit		5,667	
		-----	-----
OPERATING EXPENSES:			
Salaries		364,446	
Depreciation and amortization		62,371	
Other operating expenses		398,270	
		-----	-----
Total Operating Expenses		825,087	
		-----	-----
Net Operating (Loss) Income		(819,420)	
		-----	-----
Other Income (Expenses):			
Interest income		9,803	
Interest (expense)		(126,165)	
Other income (expense)		10,079	
		-----	-----
Total Other Income (Expenses)		(106,283)	
		-----	-----
Net Income (Loss) to Common Stockholders	\$	(925,703)	\$
		=====	=====
Net Income (Loss) per Common Share	\$	(0.43)	\$
		=====	=====
Weighted Average Number of Common Shares Outstanding		2,144,889	2,
		=====	=====

The accompanying notes are an integral part of the financial statements.

4

RENAISSANCE ENTERTAINMENT CORPORATION

STATEMENTS OF CASH FLOWS (Unaudited)

	Three Months Ended March 31	
	2002	
	-----	-----
Cash Flows from Operating Activities:		
Net income (Loss)	\$ (925,703)	\$
	-----	-----
Adjustments to reconcile net income (Loss) to net cash provided by operating activities:		
Depreciation and amortization	62,371	
(Increase) decrease in:		
Accounts Receivable	105,556	
Inventory	0	
Prepaid expenses and other	(57,453)	

Edgar Filing: RENAISSANCE ENTERTAINMENT CORP - Form 10-Q

Increase (decrease) in:		
Accounts payable and accrued expenses	175,351	
Unearned revenue and other	162,695	
	-----	-----
Total adjustments	448,520	
	-----	-----
Net Cash Provided by Operating Activities	(477,183)	
	-----	-----
Cash Flows from Investing Activities:		
Acquisition of property and equipment	(123,333)	
	-----	-----
Net Cash (Used in) Investing Activities	(123,333)	
	-----	-----
Cash Flows from Financing Activities:		
Proceeds from notes payable	50,000	
Principal payments on notes payable	(8,625)	
	-----	-----
Net Cash Provided by Financing Activities	41,375	
	-----	-----
Net Increase (Decrease) in Cash	(559,141)	
Cash, beginning of period	\$ 834,257	\$ 1,
	-----	-----
Cash, end of period	\$ 275,116	\$
	-----	-----
Interest paid	\$ 126,165	\$
	-----	-----

The accompanying notes are an integral part of the financial statements.

5

RENAISSANCE ENTERTAINMENT CORPORATION

NOTES TO FINANCIAL STATEMENTS

March 31, 2002 (Unaudited)

1. UNAUDITED STATEMENTS

The balance sheet as of March 31, 2002, the statements of operations and the statements of cash flows for the three month periods ended March 31, 2002 and 2001, have been prepared by the Renaissance Entertainment Corp. (Company) without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures, normally included in the financial statements prepared in accordance with accounting principles generally accepted in the United States of America, have been condensed or omitted as allowed by such rules and regulations, and the Company believes that the disclosures are adequate to make the information presented not misleading. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations and changes in financial position at March 31, 2002 and for all periods presented, have been made.

It is suggested that these statements be read in conjunction with the December 31, 2001 audited financial statements and the accompanying notes included in the Company's Annual Report on Form 10-KSB, filed with the

Edgar Filing: RENAISSANCE ENTERTAINMENT CORP - Form 10-Q

Securities and Exchange Commission.

2. CALCULATION OF EARNINGS (LOSS) PER SHARE

The earnings (loss) per share is calculated by dividing the net income (loss) to common stockholders by the weighted average number of common shares outstanding.

3. BASIS OF PRESENTATION - GOING CONCERN

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles, which contemplates continuation of the Company as a going concern. However, the Company has suffered recurring losses from operations, has a negative stockholders' equity and a working capital deficit that raise substantial doubts about its ability to continue as a going concern. Management is attempting to raise additional capital.

In view of these matters, realization of certain assets in the accompanying balance sheet is dependent upon continued operations of the Company, which in turn is dependent upon the Company's ability to meet its financial requirements, raise additional capital as needed, and the success of its future operations.

Management believes that its ability to raise additional capital provide an opportunity for the Company to continue as a going concern.

4. SUBSEQUENT EVENT

Effective April 2002, the Company entered into a 20-year lease agreement with a related party for its New York Faire site. Lease payments are \$425,000 for years 1 through 5, \$435,000 for years 6 through 15, and \$450,000 for years 16 through 20. The leased property includes a ski center, which will not generate significant income until 2003. The Company estimates that expenses of approximately \$500,000 will be incurred in 2002 in connection

6

with this ski center. At the option of the lessor, the ski center could be sold and lease payments reduced.

Effective May 2002, the Company entered into a lease agreement for its Northern California Faire site. Lease payments in the first year include \$1.00 per patron with a \$150,000 minimum increasing each year thereafter. The lease is for 20 years, 5-years with a 15-year extension.

5. COMMITMENT

The Company's lease for its Southern California Faire site requires the Company to complete certain capital projects over the term of the lease. The Company estimates that the cost of the capital projects for 2002 will be approximately \$250,000.

7

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

GENERAL

Edgar Filing: RENAISSANCE ENTERTAINMENT CORP - Form 10-Q

The following discussion should be read in conjunction with the Company's Consolidated Financial Statements, including the footnotes for the fiscal period ended December 31, 2001.

The Company presently owns and produces four Renaissance Faires: the Bristol Renaissance Faire in Kenosha, Wisconsin, serving the Chicago/Milwaukee metropolitan region; the Northern California Renaissance Pleasure Faire, serving the San Francisco Bay and Sacramento metropolitan areas; the Southern California Renaissance Pleasure Faire in Devore, California serving the greater Los Angeles metropolitan area; and the New York Renaissance Faire serving the New York City metropolitan area.

The Renaissance Faire is a re-creation of a Renaissance village, a fantasy experience transporting the visitor back into sixteenth century England. This fantasy experience is created through authentic craft shops, food vendors and continuous live entertainment throughout the day, both on the street and the stage, including actors, jugglers, jousters, magicians, dancers and musicians.

On June 27, 2000, the Company signed a twenty-year lease with San Bernardino County Parks and Recreation Department, securing a long-term home for the Southern California Renaissance Faire. The Company has a long-term lease expiring in 2017 for the Bristol Faire site.

On April 1, 2002, Faire Partners, Ltd., the Company's landlord for the Wisconsin site, purchased property in New York from Sterling Forest Corporation. The property has long been the home of the New York Renaissance Faire. In April, 2002, Faire Partners Ltd. leased the property to the Company on a twenty-year term with rent payments of \$425,000 in years 1 through 5, \$435,000 years 6 through 15 and \$450,000 for lease years 16 through 20. The leased property includes the Sterling Forest Ski Center, which the Company anticipates opening for the 2002/2003 ski season. The lease allows Faire Partners to sell the property on which the ski area operates. Should Faire Partners sell the property, the lease provides that the Company's rent payments and the buyout provision would be decreased in an amount proportional to the selling price of the property. Although the Ski Center will not generate significant revenue until 2003 the Company will incur ongoing expenses throughout 2002. The Company estimates that these expenses will total approximately \$500,000 for the nine-months ended December 31, 2002.

On May 3, 2002, the Company signed a long-term lease for the Northern California Faire. The new site for the Northern Faire is located near Gilroy, California, at Casa de Fruta. The lease is for 20 years, 5-years with a 15-year extension. Lease payments in the first year include \$1.00 per patron with a \$150,000 minimum increasing each year thereafter.

The Company had a working capital deficit of \$412,208 as of March 31, 2002. While the Company believes that it has adequate capital to fund anticipated operations for 2002, it believes it may need additional capital for future fiscal periods. See "LIQUIDITY AND CAPITAL RESOURCES."

RESULTS OF OPERATIONS - THREE MONTHS ENDED MARCH 31, 2002, COMPARED TO THREE MONTHS ENDED MARCH 31, 2001

The results of operations of the Company for the quarter ended March 31 always reflect a significant loss, due to the fact that there are no substantial revenues during this period, while some expenses at each of the Company's Faire locations continue throughout the year, as do corporate expenses.

Edgar Filing: RENAISSANCE ENTERTAINMENT CORP - Form 10-Q

Revenue increased \$5,501 from \$2,807 in 2001 to \$8,308 in 2002. Cost of sales increased \$2,492 from \$149 in 2001 to \$2,641 in 2002. These increases are largely the result of special events held in New York during the first quarter that are not related to the New York Renaissance Faires normal course of operation.

Operating expenses increased \$14,430 or 2%, from \$810,657 in 2001 to \$825,087 in 2002. Salary and wage expense decreased \$9,806 or 3% from \$374,252 in 2001 to \$364,446 in 2002. Other operating expenses increased \$49,707 or 14% from \$348,563 in 2001 to \$398,270 in 2002. Depreciation and amortization expense decreased \$25,471 or 29% from \$87,842 in 2001 to \$62,371 in 2002 resulting from a prior period writedown of assets in New York and Northern California due to the uncertainty of leasing arrangements for the 2002 season.

As a result of the foregoing, net operating loss (before interest charges and other income) increased \$11,421 or 1% from a loss of (\$807,999) for the 2001 period to a loss of (\$819,420) for the 2002 period.

Interest income decreased \$11,071 from \$20,874 in 2001 to \$9,803 in 2002. Interest expense decreased \$14,173 from \$140,338 in 2001 to \$126,165 in 2002. Other income decreased \$1,308 from \$11,387 in 2001 to \$10,079 in 2002.

Net loss to common stockholders increased \$9,627 or 1%, from a loss of (\$916,076) for the 2001 period, to a loss of (\$925,703) for the 2002 period. Finally, net (loss) per common share remained unchanged at a loss of (\$0.43) for the 2001 and 2002 period, based on 2,144,889 weighted average shares outstanding during the 2001 and 2002 periods.

LIQUIDITY AND CAPITAL RESOURCES

The Company's working capital shifted from a \$524,782 surplus at December 31, 2001 to a (\$412,208) deficit during the quarter ended March 31, 2002. The Company's working capital requirements are greatest during the period from January 1 through May 1, when it is incurring start-up expenses for its first Faire of the season, the Southern California Faire.

During the first four months of fiscal 2002, the Company raised capital in the amount of \$100,000 through the issuance of 12% subordinated promissory notes. The funds were provided by Charles S. Leavell (\$50,000), Chairman of the Board of Directors and a related party. The notes were issued in units, each unit consisting of two promissory notes of equal principal, identical in nature except that one note is convertible to common stock at a price of \$0.30 per share. Interest is due and payable quarterly and the notes mature August 31, 2003.

During the first six months of fiscal 2000, the Company raised capital in the amount of \$575,000 through the issuance of 12% subordinated promissory notes. The funds were provided by Charles S. Leavell (\$250,000), Chairman of the Board of Directors, J. Stanley Gilbert (\$225,000), President and a Director, and one other investor. The notes were issued in units, each unit consisting of two promissory notes of equal principal, identical in nature except that one note is convertible to

common stock at a price of \$0.30 per share. Interest was due and payable quarterly and the notes matured August 31, 2001. On the maturity date, the non-convertible portion of the notes were retired. The maturity date for the convertible portion of the notes were extended until August 31, 2002 under the same terms and conditions of the original offer.

Edgar Filing: RENAISSANCE ENTERTAINMENT CORP - Form 10-Q

While the Company believes it has adequate capital to fund anticipated operations for fiscal 2002, it believes it may need to obtain additional working capital for future periods.

Reviewing the change in financial position over the quarter, current assets, largely comprised of cash and prepaid expenses, decreased from \$1,489,308 at December 31, 2001 to \$887,605 at March 31, 2002, a decrease of \$601,703 or 40%. Of these amounts, cash and cash equivalents decreased from \$834,257 at December 31, 2001 to \$275,116 at March 31, 2002. Accounts and notes receivable decreased \$105,556 from \$245,047 at December 31, 2001 to \$139,491 at March 31, 2002. Prepaid expenses (expenses incurred on behalf of the Faires) increased from \$365,499 at December 31, 2001 to \$423,756 at March 31, 2002. These costs are expensed once the Faires are operating.

Current liabilities increased from \$964,526 at December 31, 2001, to \$1,299,813 at March 31, 2002, an increase of \$335,287 or 35%. During the quarter, accounts payable and accrued expenses increased \$175,351 or 37%. Unearned income, which consists of the sale of admission tickets to upcoming Faires, and deposits received from craft vendors for future Faires, increased \$160,745 or 89% from \$181,177 at December 31, 2001 to \$341,922 at March 31, 2002. The revenue is recognized once the Faires are operating.

Stockholders' Equity decreased from (\$415,805) at December 31, 2001 to (\$1,341,508) at March 31, 2002, a decrease of \$925,703. This decrease is due to the net loss incurred during the first quarter.

Although inflation can potentially have an effect on financial results, during 2001 and the first three months of fiscal 2002 it caused no material affect on the Company's operations, since the change in prices charged by the Company and by the Company's vendors has not been significant.

The lease with the County of San Bernardino requires the Company to complete certain capital projects. These projects include items such as the construction of a perimeter fence, planting trees, developing flower and water gardens, planting grass, installing infrastructure and constructing buildings for use at the Faire. The Company is in the process of obtaining bids on the projects planned for 2002 but estimates that the cost of these items should not exceed \$250,000. The Company has no additional significant commitments for capital expenses during the fiscal year ending December 31, 2002. See "Factors That May Affect Future Operating Results-Need for Additional Capital" regarding the Company's financing requirements.

FACTORS THAT MAY AFFECT FUTURE OPERATING RESULTS

In addition to the other information contained in this report, prospective investors should carefully consider the following factors in evaluating the Company and its business.

RECENT LOSSES. The Company has incurred operating losses in all fiscal periods except 1995 and 2000. For the quarter ended March 31, 2002, the Company reported a net loss of (\$925,703). The Company typically reports a loss for the first quarter of any operating season because ongoing operating expenses are incurred without any offsetting revenue generating activities. There is no assurance that the Company will remain profitable in any subsequent period.

10

NEED FOR ADDITIONAL CAPITAL. The Company had a working capital deficit of (\$412,208) as of March 31, 2002. See "MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS." Based on the Company's planned operations for 2002, the Company believes it has adequate capital to fund

Edgar Filing: RENAISSANCE ENTERTAINMENT CORP - Form 10-Q

operations, repay debt, and to fund required capital expenditures during the 2002 fiscal year. To the extent that operations do not provide the necessary working capital during 2002, the Company may need to obtain additional capital for 2002 and future fiscal periods. Additional capital may be sought through borrowings or from additional equity financing. Such additional equity financing may result in additional dilution to investors. In any case, there can be no assurance that any additional capital can be satisfactorily obtained if and when required.

STERLING FOREST SKI CENTER. The property that the Company leases in New York includes the Sterling Forest Ski Center, which the Company anticipates opening in December of this year for the 2002/2003 ski season. The Ski Center will not generate significant revenue until 2003 but the Company will incur ongoing expenses throughout 2002. The Company estimates that these expenses will total approximately \$500,000 for the nine-months ended December 31, 2002. During the year ended December 31, 2002 these expenses will negatively affect the reported results of operations for the Company because expenses will be ongoing while very little revenue will be recognized until 2003.

COMPETITION. The Company faces significant competition from numerous organizations throughout the country which offer Renaissance Faires and other entertainment events, including amusement parks, theme parks, local and county fairs and festivals, some of which possess significantly greater resources than the Company, and in many cases, greater expertise and industry contacts. The Company estimates that there are currently 20 major Renaissance Faires produced each year. In addition, the Company estimates that there are 100 minor Renaissance Faire events held throughout the United States each year, ranging in duration from one day to two weekends.

LACK OF TRADEMARK PROTECTION. Because of the large number of existing Renaissance Faires, the Company is not able to rely upon trademark or service mark protection for the name "Renaissance Faire." As a result, there is no protection against others using the name "Renaissance Faire" for the production of entertainment events similar to those produced by the Company. The Company's own Faires could be negatively impacted by association with substandard productions.

PUBLIC LIABILITY AND INSURANCE. As a producer of a public entertainment event, the Company has exposure for claims of personal injury and property damage suffered by visitors to the Faires. To date, the Company has experienced only minimal claims, which it has been able to resolve without litigation. The Company maintains comprehensive liability insurance which it considers to be adequate against this risk; however, there can be no assurance that a catastrophic event or claim which could result in damage or liability in excess of this coverage will not occur.

DEPENDENCE UPON VENDORS. A substantial portion of the Company's revenues generated at each Faire is derived from arrangements that the Company has with vendors who construct elaborate booths at the Faires and sell a variety of food, crafts and souvenirs. This arrangement consists of either a fixed rental paid by the vendors to the Company, or a percent of revenues. In either case, the success of a Faire is dependent upon the Company's ability to attract responsible vendors who sell high quality goods.

SEASONALITY. The Company's Renaissance Faires are located in traditionally seasonal areas which attract the greatest number of visitors during the warm weather months in the spring, summer, and early fall. With the anticipated operation of the Sterling Forest Ski Center in New York, the potential for counter-seasonal revenue should help smooth the seasonality of the Company's revenue

Edgar Filing: RENAISSANCE ENTERTAINMENT CORP - Form 10-Q

stream from the Renaissance Faires. Unless the Company acquires or develops additional Faire sites or other events in areas that are counter-seasonal to the present sites located in temperate climates, the Company's revenues and income will be highly concentrated in the six months ending October 31st of each year.

DEPENDENCE UPON WEATHER. Each Renaissance Faire operated by the Company is scheduled for a finite period, typically consecutive weekends during a seven to nine-week period, which are determined substantially in advance in order to facilitate advertising and other promotional efforts. The success of each Faire is directly dependent upon public attendance, which is directly affected by weather conditions. While each of the Company's Faires are open, rain or shine, poor weather, or even the forecast of poor weather, can result in substantial declines in attendance and, as a result, loss of revenues. Further, as the Renaissance Faires are outdoor events, they are vulnerable to severe weather conditions that can cause damage to the Faire's infrastructure and buildings, as well as injuries to patrons and employees. Risks associated with the weather are beyond anyone's control, but have a direct and material impact upon the relative success or failure of a given Faire.

LICENSING AND OTHER GOVERNMENTAL REGULATION. For each Faire operated by the Company, it is necessary for the Company to apply for and obtain permits and other licenses from local governmental authorities controlling the conduct of the Faire, service of alcoholic beverages, service of food, health, sanitation, and other matters at the Faire sites. Each governmental jurisdiction has its own regulatory requirements that can impose unforeseeable delays or impediments in preparing for a Faire production. While the Company has been able to obtain all necessary permits and licenses in the past, there can be no assurance that future changes in governmental regulation or the adoption of more stringent requirements may not have a material adverse impact upon the Company's future operations.

FAIRE SITES. The Company has long-term leases for all four of its Renaissance Faires. The terms and conditions of each lease vary by location, and to a large extent, are beyond the control of the Company. The Company's dependence upon leasing Faire sites creates a certain risk of fluctuation in the Company's operations from year to year.

PART II. OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

None.

12

Item 2. CHANGES IN SECURITIES

During the first four months of fiscal 2002, the Company raised \$100,000 through the sale of 12% subordinated promissory notes. The notes were issued in units, each unit consisting of two promissory notes of equal principal, with one note being convertible into shares of the Company's common stock at a conversion price of \$.30 per share. The notes were sold without registration under the Securities Act of 1933 in reliance upon the exemption provided by Regulation D promulgated by the Securities and Exchange Commission. No brokers were involved in the sale of the notes and no sales commissions were paid with respect to such sales. See Part I "Financial Condition and Results of Operations--Liquidity and Capital Resources."

Item 3. DEFAULTS UPON SENIOR SECURITIES

Edgar Filing: RENAISSANCE ENTERTAINMENT CORP - Form 10-Q

None.

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

None.

Item 5. OTHER INFORMATION

None.

Item 6. EXHIBITS AND REPORTS ON FORM 8-K

The Company was not required to file a report on Form 8-K during the quarter ended March 31, 2002.

Exhibit No Title

3.0(i) Amended and Restated Articles of Incorporation, incorporated by reference from the Amendment No. 1 to Registrant's Registration Statement on Form 8-A filed with the Commission on April 12, 1994.

3.0(ii) By-Laws, incorporated by reference from the Amendment No. 1 to Registrant's Registration Statement on Form 8-A filed with the Commission on April 12, 1994.

* 3.1 Articles of Amendment to the Articles of Incorporation.

4.1 Specimen Certificate of Common Stock, incorporated by reference from the Amendment No. 1 to Registrant's Registration Statement on Form 8-A filed with the Commission on April 12, 1994.

* 4.2 Renaissance Entertainment Corporation 1993 Stock Incentive Plan. (1)

* 10.1 Specimen Vendor and Exhibitor Agreement for the Bristol Renaissance Faire.

* 10.2 Specimen Vendor and Exhibitor Agreement for the Northern and Southern Renaissance Pleasure Faires.

* 10.3 Specimen Bristol Renaissance Faire Concession Agreement.

* 10.4 Specimen Bristol Renaissance Faire Games Concession Agreement.

10.9 Purchase Agreement dated November 12, 1997 between Faire Partners, LLC and Renaissance Entertainment Corporation, including Lease Agreement and Warrant to Purchase Common Stock as exhibits thereto, incorporated by reference from Registrant's Registration Statement on Form S-1 (No. 333-43503).

13

10.10 Lease dated January 21, 1998 by and between Attache Publishing Services, Inc. and the Company, incorporated by reference from the Registrants Quarterly Report on Form 10-Q for the quarter ended March 31, 1998.

10.11 Employment Agreement dated December 11, 1998 with Charles S. Leavell, incorporated by reference from Registrant's Annual Report on Form 10-KSB for the year ended December 31, 1998.

10.12 Employment Agreement dated December 11, 1998 with J. Stanley Gilbert, incorporated by reference from Registrant's Annual Report on Form 10-KSB for the year ended December 31, 1998.

10.13 Amendment dated December 17, 1999 to Lease with Faire Partners LLC, incorporated by reference from Registrant's Annual Report on Form 10-KSB for the year ended December 31, 1999.

10.15 Warrant Agreement dated December 17, 1999, incorporated by reference from Registrant's Annual Report on Form 10-KSB for the year ended December 31, 1999.

10.17 Asset Purchase Agreement between Jim and Marta Selway and the Company dated April 6, 2000, incorporated by reference from Registrant's Annual Report on Form 10-KSB for the year ended December 31, 1999.

Edgar Filing: RENAISSANCE ENTERTAINMENT CORP - Form 10-Q

10.18 Form of Subordinated Subscription and Purchase Agreement for 2000, including A Note and Convertible B Note incorporated by reference from Registrant's Quarterly Report on Form 10-QSB for the period ended March 31, 2000.

10.20 Lease dated June 27, 2000 by and between San Bernardino County Community and Cultural Resources Department and the Company incorporated by reference from Registrant's Annual Report on Form 10-KSB for the year ended December 31, 2000.

10.28 Form of Subordinated Subscription and Purchase Agreement for 2002, including A Note and Convertible B Note incorporated by reference from Registrant's Annual Report on Form 10-KSB for the year ended December 31, 2001.

10.29 Amendment dated August 31, 2001 to Subordinated Subscription and Purchase Agreement for 2000 incorporated by reference from Registrant's Annual Report on Form 10-KSB for the year ended December 31, 2001.

** 10.30 Lease agreement dated March 19, 2002 by and between Faire Partners, Ltd. and the Company filed herewith.

** 10.31 Lease agreement dated May 3, 2002 by and between Casa de Fruta and the Company filed herewith.

** 10.32 Amendment dated February 28, 2002 to Faire Partners, Ltd. lease dated November, 1997 filed herewith.

** 10.33 Amendment dated March 18, 2002 to Faire Partners, Ltd. lease dated November, 1997 filed herewith.

* Incorporated by reference from the Company's Registration Statement on Form SB-2, declared effective by the Commission on January 27, 1995, and the Post-Effective amendments thereto.

** Filed herewith.

SIGNATURE

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.

RENAISSANCE ENTERTAINMENT CORPORATION

14

Dated: MAY 13, 2002

/s/ Charles S. Leavell

Charles S. Leavell, Chief Executive and
Chief Financial Officer

/s/ Sue E. Brophy

Sue E. Brophy, Chief Accounting Officer

15