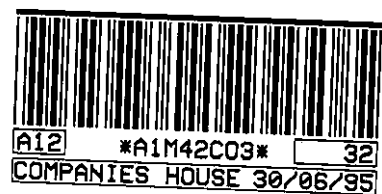


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ACUTE LIMITED
FINANCIAL ACCOUNTS FOR THE
YEAR ENDED 30TH SEPTEMBER 1994

HOWES & CO.
CHARTERED ACCOUNTANTS



ACUTE LIMITED

DIRECTORS: Amanda Lismer
Peter Lismer

SECRETARY: Peter Lismer

REGISTERED OFFICE: 39 High Street
Burford
Oxfordshire
OX18 4QE

REGISTERED NUMBER: 2536708

BANKERS: Barclays Bank plc
Oxford City Office
High Street
Oxford
OX1 3HS

AUDITORS: Howes and Co.
Chartered Accountants
Midland Bank Chambers
Market Place
Chipping Norton
Oxfordshire OX7 5NA

ACUTE LIMITED
FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30TH SEPTEMBER 1994

CONTENTS

1. Report of the Directors
2. Statement of Directors Responsibilities
3. Report of the Auditors
4. Profit and Loss Account
5. Balance Sheet
6. Notes to Accounts

The following page does not form part of the Statutory Accounts

7. Trading and Profit and Loss Account

ACUTE LIMITED
REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30TH SEPTEMBER 1994

The directors present their annual report with the accounts of the company for the year ended 30th September 1994.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was the design, manufacture and marketing of children's fashions and ladies and gentlemen's hairdressing.

REVIEW OF BUSINESS

A summary of the results for the year is given on page 4 of the accounts. The directors are aware that the company is reliant on theirs and the bank's continuing support. At the date of signing this report, that support is ongoing and the company continues to trade.

DIVIDENDS

The directors do not recommend the payment of a dividend.

FIXED ASSETS

Acquisitions of fixed assets during the year are shown in note 6.

DIRECTORS

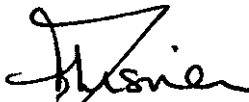
The directors in office in the year and their beneficial interests in the company's issued ordinary equity share capital were as follows:

	Ordinary Equity Shares of £1 each	
	1994	1993
Amanda Lismer	1	1
Peter Lismer	1	1

AUDITORS

The auditors, Howes and Co., will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

Signed on behalf of the
Board of Directors



Peter Lismer
Secretary

Date 24th June 1995

STATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law to prepare financial accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial accounts we are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial accounts;
- prepare the financial accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial accounts comply with Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Date 24th June 1995



By Order of the Board

AUDITORS' REPORT TO THE SHAREHOLDERS OF
ACUTE LIMITED

We have audited the financial accounts on pages 4 to 6 which have been prepared under the historical cost convention and the accounting policies set out on page 6a.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 the company's directors are responsible for the preparation of financial accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

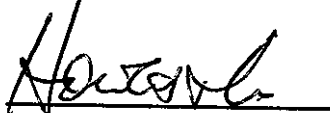
BASIS OF OPINION

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

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

OPINION

In our opinion the financial accounts give a true and fair view of the state of the company's affairs as at 30th September 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



HOWES & CO.
Registered Auditors
Chartered Accountants
Midland Bank Chambers
Market Place
Chipping Norton
Oxfordshire OX7 5NA

Date 29 June 1995

ACUTE LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH SEPTEMBER 1994

	<u>Notes</u>	<u>1994</u> £	<u>1993</u> £
TURNOVER	2	51,731	45,191
Cost of Sales		7,046	5,170
<u>GROSS PROFIT</u>		44,685	40,021
Administrative Expenses		39,693	35,833
<u>OPERATING PROFIT</u>	3	4,992	4,188
Bank Interest Received		2	1
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST</u>		4,994	4,189
Bank Interest Payable		1,145	1,492
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		3,849	2,697
Tax on Ordinary Activities	5	1,050	-
<u>RETAINED PROFIT FOR THE YEAR</u>		<u>£ 2,799</u>	<u>£2,697</u>
<u>STATEMENT OF RETAINED EARNINGS</u>			
Loss Brought Forward		(6,901)	(9,598)
Retained Profit for the Year		2,799	2,697
<u>RETAINED LOSS CARRIED FORWARD</u>		<u>£ (4,102)</u>	<u>£ (6,901)</u>

None of the company's activities were acquired or discontinued during the above two financial years.

There were no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 6a to 6d form part of these accounts.

ACUTE LIMITEDBALANCE SHEET
AS AT 30TH SEPTEMBER 1994

	<u>Notes</u>	<u>1994</u>	<u>1993</u>
		£	£
FIXED ASSETS			
Intangible Assets	6	7,199	8,399
Tangible Assets	6	6,530	7,742
		<u>13,729</u>	<u>16,141</u>
CURRENT ASSETS			
Stock and Work in Progress	7	7,432	5,885
Debtors	8	1,713	877
Cash at Bank and in Hand		89	650
		<u>9,234</u>	<u>7,412</u>
CREDITORS : Amounts Falling Due within One Year	9	<u>(11,098)</u>	<u>(7,050)</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(1,864)</u>	<u>362</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>11,865</u>	<u>16,503</u>
CREDITORS : Amounts Falling Due After more than One Year	10	<u>15,965</u>	<u>23,402</u>
		<u>£ (4,100)</u>	<u>£ (6,899)</u>
CAPITAL AND RESERVES			
Share Capital	11	2	2
Profit and Loss Account		(4,102)	(6,901)
TOTAL SHAREHOLDERS' FUNDS		<u>£ (4,100)</u>	<u>£ (6,899)</u>
Signed on behalf of the Board of Directors			



Amanda Lismer
Director

Approved by the Board: Date 24th June 1995

The notes on pages 6a to 6d form part of these accounts.

ACUTE LIMITED**NOTES TO ACCOUNTS**
FOR THE YEAR ENDED 30TH SEPTEMBER 1994**1. ACCOUNTING POLICIES****Basis of Accounting**

The accounts have been prepared under the historical cost convention and using applicable accounting policies.

Turnover

Turnover represents the net invoiced sales of goods and services, excluding VAT.

Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Leasehold Property Improvements	The period of the lease
Fixtures and Fittings	Between 3 and 10 years on cost

Intangible Fixed Assets

Costs have been capitalised and are amortised over the estimated life of the asset as follows:

Goodwill	10% straight line basis
----------	-------------------------

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items. Cost includes all direct expenditure.

Deferred Taxation

Deferred Taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Cash Flow Statement

The company has taken advantage of the exemption provided by Financial Reporting Standard 1 and has not prepared a cash flow statement for the year.

2. TURNOVER

The turnover and profit (1993 - profit) before taxation for the year is attributable to the principal activity of the company which is as detailed in the director's report.

Turnover has not been analysed by geographical market.

3. OPERATING PROFIT

The Operating Profit (1993 - Profit) is stated after charging:

	<u>1994</u>	<u>1993</u>
	£	£
Depreciation of Tangible Fixed Assets	1,281	2,236
Amortisation of Intangible Fixed Assets	1,200	1,200
Staff Costs - note 4	24,470	20,536
Auditors Remuneration	100	350
	<u> </u>	<u> </u>

ACUTE LIMITED

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 30TH SEPTEMBER 1994

4. STAFF COSTS

The costs incurred, including directors remuneration, were as follows:

	<u>1994</u> £	<u>1993</u> £
Salaries and Remuneration	24,470	20,536

The average weekly number of employees during the year was as follows:

Office and Management	5	5
-----------------------	---	---

Directors' remuneration in the year amounted to £3,080 (1993 - £2,000)

5. TAXATION

The tax charge on the profit on ordinary activities was as follows:

	<u>1994</u> £	<u>1993</u> £
Corporation Tax	1,050	-

Corporation tax has been charged on the profit at 25% (1993 25%).

6. INTANGIBLE AND TANGIBLE FIXED ASSETS

COST	Goodwill £	Fixtures & Fittings £	Leasehold Property Imp'ents £	TOTAL £
At 1st October 1993	11,999	4,983	9,429	14,412
Additions in year	-	69	-	69
At 30th September 1994	11,999	5,052	9,429	14,481
DEPRECIATION/AMORTISATION				
At 1st October 1993	3,600	3,841	2,829	6,670
Charge for year	1,200	339	942	1,281
At 30th September 1994	4,800	4,180	3,771	7,951
NET BOOK VALUE				
At 30th September 1994	7,199	872	5,658	6,530
At 30th September 1993	8,399	1,142	6,600	7,742

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 30TH SEPTEMBER 1994

7. STOCKS

	<u>1994</u>	<u>1993</u>
	£	£
Fabrics etc.	6,121	4,907
Salon	1,311	978
	7,432	5,885

8. DEBTORS

	<u>1994</u>	<u>1993</u>
	£	£
Amounts due within one year:		
Other Debtors	19	-
Prepayments	1,694	877
	1,713	877

9. CREDITORS

	<u>1994</u>	<u>1993</u>
	£	£
Amounts falling due within one year:		
Loans and Overdraft	4,910	2,864
Trade Creditors	1,647	1,025
Taxation	1,050	-
Social Security and Other Taxes	2,165	1,487
Accruals	1,326	1,674
	11,098	7,050

10. CREDITORS

	<u>1994</u>	<u>1993</u>
	£	£
Amounts falling due after more than one year:		
Bank Loan Account due in 2-5 years	9,373	9,371
Bank Loan Account due more than 5 years	2,344	4,688
Directors' Loan Account	4,248	9,343
	15,965	23,402

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 30TH SEPTEMBER 1994

11. EQUITY SHARE CAPITAL

Ordinary Equity Share Capital of 1 each:	<u>1994</u>	<u>1993</u>
	£	£
Authorised	100	100
	<u> </u>	<u> </u>
Allotted, Issued and Fully Paid	2	2
	<u> </u>	<u> </u>