

COMPANY NUMBER: 2536708 (ENGLAND & WALES)

ACUTE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2003



ACUTE LIMITED

COMPANY INFORMATION

Company Number: 2536708 (England & Wales)

Directors: Peter Lismer

Secretary: Peter Lismer

Registered Office: The Tudor House,
Bampton Road,
Clanfield,
Oxfordshire.
OX18 2RG

Bankers: Barclays Bank PLC
54, Cornmarket Street,
Oxford,
Oxfordshire.
OX1 3HS

ACUTE LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30TH SEPTEMBER 2003

The Directors present their report and the financial statements for the year ended 30th September 2003.

Principal activities

The principal activity of the company continues to be that of the design, manufacture and marketing of childrenswear and ladies and gentlemen's hairdressing.

Review of business

The profit and loss account for the year follows the Director's Report.

The Directors consider the state of affairs of the Company to be satisfactory. The Directors are aware that the company is reliant upon theirs and the bank's continuing support. At the date of signing this report, that support is ongoing and the Company continues to trade.

Fixed assets

Changes in fixed assets during the year are set out in the notes to the financial statements.

Dividends

The Directors do not recommend the payment of a dividend.

Directors' interests

The Directors of the Company during the year and their interests in the share capital of the Company as recorded in the register of Directors' interests were as follows:

	2003	2002
	Number of shares	
Amanda Lismer	-	1
Peter Lismer	2	1

Mrs. Amanda Lismer resigned as a Director of the Company on 1st August 2003 and transferred her entire holding of one ordinary share in the Company to Mr. Peter Lismer.

Responsibilities of the Directors

Company law requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a 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 that disclose with reasonable accuracy at any time the financial position of the Company and to enable them to

ACUTE LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30TH SEPTEMBER 2003

Responsibilities of the Directors (continued)

ensure that the financial statements comply with the 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.

Audit

The Directors have decided that the accounts of the Company do not require a statutory audit as required under section 394(1) of the Companies Act 1985.

By order of the board



.....
Peter Lismer
Company Secretary

Date: 28th June 2004

The Tudor House,
Bampton Road,
Clanfield,
Oxfordshire.
OX18 2RG

ACUTE LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH SEPTEMBER 2003

	Note	2003 £	2002 £
Turnover	2	18,340	77,007
Cost of sales		<u>8,993</u>	<u>42,470</u>
Gross Profit		9,347	34,537
Administrative expenses		<u>8,500</u>	<u>42,735</u>
Operating profit / (loss)	3	847	(8,198)
Other interest receivable		-	-
Interest payable	5	<u>(446)</u>	<u>(612)</u>
Profit /(loss) on ordinary activities before taxation		401	(8,810)
Taxation	6	<u>(668)</u>	-
Retained (Loss) for the year		<u>(267)</u>	<u>(8,810)</u>

The Company has made no acquisitions or discontinued any operations within the meaning of Financial Reporting Standard 3 during the year therefore turnover and operating profit derive entirely from continuing operations.

The Company has no recognised gains or losses other than the results above and therefore no separate statement of total recognised gains and losses has been presented.

The annexed notes form part of these financial statements.

ACUTE LIMITED

BALANCE SHEET

AS AT 30TH SEPTEMBER 2003

	Note	£	2003 £	£	2002 £
Fixed assets					
Intangible assets	7		-		-
Tangible assets	8		<u>-</u>		<u>76</u>
			-		76
Current assets					
Stocks	9		-	8,896	
Debtors	10	266		8,158	
Cash at bank and in hand		123		2,096	
		<u>389</u>		<u>19,150</u>	
Creditors					
Amounts falling due within one year	11	(225)		(31,956)	
		<u></u>		<u></u>	
Net current assets			164		(12,806)
			<u></u>		<u></u>
Total assets less current liabilities			164		(12,730)
Creditors					
Amounts falling due after more than one year	12		-		(6,839)
			<u></u>		<u></u>
Net liabilities			164		(19,569)
			<u>=====</u>		<u>=====</u>
Capital and reserves					
Called up share capital	13		2		2
Additional share capital			20,000		-
Profit and loss account	14		(19,838)		(19,571)
			<u></u>		<u></u>
Shareholders' funds	15		164		(19,569)
			<u>=====</u>		<u>=====</u>

The annexed notes form part of these financial statements.

For the year ended 30th September 2003 the company was entitled to exemption under section 249A (1) of the Companies Act 1985. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2).

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ACUTE LIMITED
BALANCE SHEET
AS AT 30TH SEPTEMBER 2003

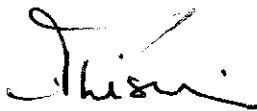
The Directors acknowledge their responsibility for:

- i) Ensuring the company keeps accounting records which comply with section 221; and
- ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

The accounts are prepared in accordance with the special provisions of part VII of the Companies act 1985 relating to small companies.

These financial statements were approved by the Board of Directors on

28th June 2004 and were signed on its behalf by:



Peter Lismer
Director

ACUTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2003

1. Accounting policies

The financial statements have been prepared on the historical cost basis of accounting and in accordance with applicable Accounting Standards in the United Kingdom. The accounting policies have been applied consistently.

Turnover comprises of the invoiced value of goods and services supplied by the Company, net of Value Added Tax.

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

Depreciation and diminution in value of assets

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	-The period of the lease
Fixtures and fittings	- 3 to 10 years on cost

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowances for obsolete and slow moving stocks. Cost includes all direct costs.

Leasing

Rentals payable under operating leases are charged to the profit and loss account as incurred.

Goodwill

Goodwill is the difference between the amount paid on the acquisition of the business and the aggregate fair value of its separate net assets. It is being written off in equal annual instalments over its estimated economic life.

ACUTE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2003

2. Turnover

Turnover and profit is attributable solely to continuing operations and derives from the principal activity of the Company, which is as described in the Directors' Report.

3. Operating profit

	2003 £	2002 £
Operating profit is stated after charging:		
Depreciation and amortisation of owned assets	76 =====	1364 =====

4. Staff costs

The average number of persons employed by the Company, including Directors, during the year was as follows:

	2003	2002
Office and management	5 =====	5 =====

The aggregate payroll costs of these persons were as follows:

	2003 £	2002 £
Wages and salaries	5,335	21,027
Social security	102	712
	5,437 =====	21,739 =====

5. Interest payable

	2003 £	2002 £
Interest payable – bank loans and overdraft	446 =====	612 =====

ACUTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2003

6. Taxation on profit on ordinary activities

	2003	2002
	£	£
United Kingdom Corporation Tax		
Adjustment	668	-
	=====	=====

7. Intangible fixed assets

	Goodwill
	£
Cost:	
At 1 st October 2002	11,999
At 30 th September 2003	11,999
Amortisation:	
At 1 st October 2002	11,999
Charge for the year	-
At 30 th September 2003	11,999
Net book value:	
At 30 th September 2003	<u>NIL</u>
At 30 th September 2002	<u>NIL</u>

8. Tangible fixed assets

	Leasehold	Fixtures	
	Improvements	and	Total
	£	Fittings	£
	£	£	£
Cost:			
At 1 st October 2002	9,429	10,652	20,081
Additions during year			
At 30 th September 2003	9,429	10,652	20,081
Depreciation:			
At 1 st October 2002	9,429	10,576	20,005
Charge for the year	-	76	76
At 30 th September 2003	9,429	10,652	20,081
Net book value:			
At 30 th September 2003	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>
At 30 th September 2002	<u>NIL</u>	<u>76</u>	<u>76</u>

ACUTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2003

9. Stock

	2003	2002
	£	£
Raw materials and goods for resale	-	8,896
	=====	=====

10. Debtors

	2003	2002
	£	£
Due within one year:		
Trade debtors	-	-
Other debtors	266	921
Directors advance – Amanda Lismer	-	7,211
Prepayments	-	26
	=====	=====
	266	8,158
	=====	=====

11. Creditors – amounts falling due within one year

	2003	2002
	£	£
Bank loans	-	1,916
Trade creditors	225	10,048
Directors loan – Peter Lismer	-	18,082
Other taxes and social security	-	1,126
Accruals	-	784
	=====	=====
	225	31,956
	=====	=====

12. Creditors – amounts falling after more than one year

	2003	2002
	£	£
Bank loan accounts	-	6,839
	=====	=====
	-	6,839
	=====	=====

ACUTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2003

13. Share capital

	2003	2002
Authorised		
Ordinary shares of £1 each	100	100
	£	£
Allotted, called up and fully paid		
Ordinary shares of £1 each	2	2
Additional share capital	20,000	-

14. Profit and loss account

	2003 £	2002 £
Balance brought forward at 1 st October	(19,571)	(10,761)
Profit / (loss) for the year	(267)	(8,810)
Balance at 30 th September	(19,838) =====	(19,571) =====

15. Reconciliation of movements in shareholders' funds

	2003 £	2002 £
Profit/(Loss) for the financial year	(267)	(8,810)
Shareholders' funds at 1 st October	(19,569)	(10,759)
Additional share capital	20,000	-
Shareholders' funds at 30 th September	164 =====	(19,569) =====

16 Transactions with Directors and Officers

The Company is controlled by the Directors as disclosed in the Director's report.

The Directors owe/(are owed) the following balances to/by the company as at 30th September 2003

	2003 £	2002 £
Peter Lismer	-	-
Peter Lismer & Amanda Lismer	-	(10,871)