DAVID OLIVER LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2004

Company Number: 03340887

DAVID OLIVER LIMITED

DIRECTOR

D Oliver

SECRETARY

S Oliver

REGISTERED OFFICE

18 Pond Place
London SW3 6QJ

ACCOUNTANTS

Vantis
82 St John Street
London EC1M 4JN

SOLICITORS

Lattey & Dawe
21 Liverpool Street
London EC2M 7RD

PRINCIPAL BANKERS

Coutts and Co
440 Strand
London WC2R 0QS

DAVID OLIVER LIMITED

INDEX TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004

DAVID OLIVER LIMITED

REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 MARCH 2004

The director presents his report and the audited financial statements for the year ended 31 March 2004.

Principal Activities

The principal activities of the company in the year under review were creation and distribution of paint and wallpaper products.

Review of Business

The company's profit and loss is set out on page 4.

The loss for the year after taxation amounted to £68,856 (2002 –Profit £129,991).

Director And His Interests

The director at the balance sheet date and his interests in the company at that date and at the beginning of the year were as follows:

		Number of Shares	
	Class of Share	**2004**	**2003**
D Oliver	Ordinary shares	2	2

Small Company Disclosure

The director's report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

22 December 2004

By Order of the Board

David Oliver

DIRECTOR

DAVID OLIVER LIMITED

BALANCE SHEET
AS AT 31 MARCH 2004

	Notes	2004 £	2004 £	2003 £	2003 £
FIXED ASSETS					
Tangible assets	5		31,697		28,592
CURRENT ASSETS					
Stock	6	52,498		49,199	
Debtors	7	138,065		96,647	
Cash at bank and in hand		27,013		395	
		217,576		146,241	
CREDITORS: Amounts falling due within one year	8	(486,934)		(347,964)	
NET CURRENT LIABILITIES			(269,358)		(201,723)
TOTAL ASSETS LESS CURRENT LIABILITIES			(237,661)		(173,131)
CREDITORS: Amounts falling due after more than one year	9		(6,023)		(1,697)
NET LIABILITIES			£ (243,684)		£ (174,828)

Represented by:

	Notes	2004 £	2004 £	2003 £	2003 £
CAPITAL AND RESERVES					
Called up share capital	11		2		2
Profit and loss account			(243,686)		(174,830)
SHAREHOLDERS' FUNDS	12		£ (243,684)		£ (174,828)

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The notes on pages 5 to10 form part of these financial statements.

DAVID OLIVER LIMITED

BALANCE SHEET
AS AT 31 MARCH 2004 - continued

In approving these accounts as director of the company I hereby confirm: -

a) That for the year in question the company was entitled to the exemption conferred by section 249A (1) of the Companies Act 1985;

b) That no notice has been deposited at the registered office of the company pursuant to section 249B (2) requesting that an audit be conducted for the year ended 31 March 2004; and

c) That I acknowledge my responsibilities for:

   i) ensuring that 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 the financial year and of its results for the year then ended and which otherwise comply with the provisions of the Companies Act relating to accounts, so far as applicable to the company.

These financial statements were approved by the Director on 22 December 2004.

D OLIVER) Director

DAVID OLIVER LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2004

	Notes	2004 £	2003 £
TURNOVER	1.2	1,074,331	1,037,322
Cost of sales		(579,967)	(502,330)
GROSS PROFIT		494,364	534,992
Administrative expenses		(552,482)	(396,386)
		(58,118)	138,606
Other operating income		-	-
OPERATING (LOSS)/ PROFIT	2	(58,118)	138,606
Interest and similar charges payable		(10,738)	(8,615)
(LOSS) PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(68,856)	129,991
Tax on ordinary activities	3	-	-
(LOSS) / PROFIT FOR THE FINANCIAL YEAR		(68,856)	129,991
RETAINED LOSS AT 1 APRIL 2003		(174,830)	(304,821)
RETAINED LOSS AT 31 MARCH 2004		£ (243,686)	£ (174,830)

The company has no recognised gains or losses other than those dealt with in the profit and loss account.

The notes on pages 5 to 10 form part of these financial statements.

DAVID OLIVER LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004

1. ACCOUNTING POLICIES

1.1 Basis of Accounting

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) on a going concern basis. The going concern basis is appropriate on the assumption that the bank and the director will continue to support the company.

1.2 Turnover

Turnover is attributable to the company's principle activity and arose primarily in the United Kingdom.

1.3 Depreciation

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

Office furniture and fittings	25% reducing balance method
Motor vehicles	25% reducing balance method

1.4 Deferred Taxation

The accounting policy in respect of deferred tax complies with the requirements of FRS19-Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.5 Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their estimated useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease.

1.6 Operating Leases

Operating lease payments where substantially all the risks and benefits remain with the lessor are charged to the profit and loss account as and when incurred.

1.7 Cash flow statement

The financial statements do not include cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1: "Cash flow statements".

1.8 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17.

2. OPERATING (LOSS) / PROFIT

	2004	2003
	£	£
The operating (loss) / profit is stated after charging:		
Depreciation	7,233	9,538
Directors remuneration	39,789	1,923
Auditors' remuneration	-	2,500

3. TAX ON (LOSS) / PROFIT ON ORDINARY ACTIVITIES

	2004	2003
Current tax charge	**£-**	**£-**

	2004	2003
Factors affecting the tax charge for the year		
(Loss) Profit on ordinary activities before taxation	(68,856)	129,991
(Loss) Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19% (2003: 19%)	(13,083)	24,699
Effects of:		
Expenses not deducted for tax purposes	695	335
Income not taxable for tax purposes-tax adjustments	-	(5,232)
Capital allowances more than depreciation	(216)	403
Utilisation of tax losses and other deductions	-	(20,205)
Unutilised tax losses carried forward	12,604	-
Current tax (credit)/charge for the year	£-	£-

The company has estimated losses of £ 256,452 (2003: £190,117) available for carry forward against future trading profits.

4. DIRECTOR'S EMOLUMENTS

	2004	2003
	£	£
Emoluments, include pension contribution to money purchase scheme	£ 39,789	£1,923

DAVID OLIVER LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004 - continued

5. TANGIBLE ASSETS

	Furniture and fittings	Motor vehicles etc	Total
	£	£	£
Cost			
At 1 April 2003	51,753	15,500	67,253
Additions	339	9,999	10,338
At 31 March 2004	52,092	25,499	77,591
Depreciation			
At 1 April 2003	33,379	5,282	38,661
Charge for year	4,678	2,555	7,233
At 31 March 2004	38,057	7,837	45,894
Net book value at 31 March 2004	£14,035	£17,662	£31,697
Net book value at 31 March 2003	£18,374	£10,218	£28,592

Included above are assets held under *hire purchase contracts:*

	2003	2003
	£	£
Net book values:		
Motor vehicles	£17,662	£10,218
Depreciation charge	£2,555	£3,407

Net obligations under finance leases and hire purchase contracts are secured on the assets acquired.

6. STOCKS

	2004	2003
Stocks of paint and wallpaper	£52,498	£49,199

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004 - continued

7. DEBTORS

	2004	2003
	£	£
Trade debtors	111,974	88,753
Amounts owed by connected companies	-	-
Other debtors and prepayments	26,091	7,894
	£138,065	£96,647

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	£	£
Bank overdraft (secured)	172,599	122,589
Trade creditors	205,907	166,602
Corporation tax	-	-
Other taxes and social security	32,280	27,106
Other creditors and accruals	76,148	31,667
	£486,934	£347,964

Bank overdraft of £172,599 is secured by a mortgage debenture over all assets of the company and by personal guarantee by the director of the company limited to £185,000. The personal guarantee is supported by a second legal mortgage provided by Mr. and Mrs. D Oliver, limited to the extent of £145,000 over the freehold premises owned by them.

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2004	2003
Other creditors	£ 6,023	£1,697

10. BORROWINGS

	2004	2003
The company's borrowings are repayable as follows:		
Up to one year and on demand	£172,599	£122,589

11. SHARE CAPITAL

	2004 £	2003 £
Authorised		
Equity interests:		
2,000 Ordinary shares of £1 each	£2,000	£2,000
Allotted, called up and fully paid		
Equity interests:		
2 Ordinary shares of £1 each	£2	£2

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2004 £	2003 £
(Loss) / Profit for the financial year	(68,856)	129,991
Shareholders' funds at 1 April 2003	(174,828)	(304,819)
Shareholders' funds at 31 March 2004	£ (243,684)	£ (174,828)
Represented by:		
Equity interests	£ (243,684)	£ (174,828)

13. REVENUE COMMITMENTS

The company was committed to make the payments during the next year in respect of operating leases with expiry dates as follows:

	Land and Buildings		Other	
	2004 £	2003 £	2004 £	2003 £
Expiry date:				
Within one year	-	-	-	-
Within two and five years	22,805	-	-	-
More than five years	36,500	59,305	-	-
	£59,305	£59,305	£ -	£ -

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004 - continued

14. RELATED PARTY TRANSACTIONS

David Oliver, the director of the company, is also the sole director and shareholder of Paper Library Limited. At 31 March 2004 Paper Library Limited owed a sum of £ 3,031(2003- £3,031) and this amount was written off in 2003 accounts.

At 31 March 2004 David Oliver was owed a sum of £36,200(2003-£8,676). This amount is interest free and is repayable on demand.

15. CONTROL OF THE COMPANY

David Oliver, a director and sole shareholder of the company, is the ultimate controlling party for both this and the preceding year, by virtue of his shareholding in the company.