

REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003
FOR
DESIGN LSM LIMITED



DESIGN LSM LIMITED

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FOR THE YEAR ENDED 31 MARCH 2003

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DESIGN LSM LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2003

DIRECTORS:

S McCarthy
S Labouchardiere
D Mitchell
D Rooney

SECRETARY:

S McCarthy

REGISTERED OFFICE:

65 Goldington Road
Bedford
MK40 3NB

REGISTERED NUMBER:

3425421 (England and Wales)

ACCOUNTANTS:

Cox & Company
Chartered Accountants
65 Goldington Road
Bedford
Bedfordshire
MK40 3NB

DESIGN LSM LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2003

The directors present their report with the financial statements of the company for the year ended 31 March 2003.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of interior designers and architectural consultants.

DIRECTORS

The directors during the year under review were:

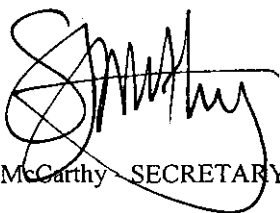
S McCarthy	
S Labouchardiere	
P Southgate	- resigned 28.3.03
D Mitchell	- appointed 29.4.02
D Rooney	- appointed 1.8.02

The beneficial interests of the directors holding office on 31 March 2003 in the issued share capital of the company were as follows:

	31.3.03	1.4.02 or date of appointment if later
Ordinary £1 shares		
S McCarthy	415	462
S Labouchardiere	415	462
D Mitchell	-	-
D Rooney	25	-

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

ON BEHALF OF THE BOARD:



S McCarthy SECRETARY

Dated: 23 June 2003

DESIGN LSM LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2003**

		2003	2002
	Notes	£	£
TURNOVER		569,720	582,044
Cost of sales		199,860	209,508
GROSS PROFIT		369,860	372,536
Administrative expenses		314,853	282,564
OPERATING PROFIT	2	55,007	89,972
Interest receivable and similar income		82	597
		55,089	90,569
Interest payable and similar charges		11,851	12,624
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		43,238	77,945
Tax on profit on ordinary activities	3	8,956	15,451
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		34,282	62,494
Dividends	4	44,270	44,357
		(9,988)	18,137
Retained profit brought forward		177,138	159,001
RETAINED PROFIT CARRIED FORWARD		£167,150	£177,138

The notes form part of these financial statements

DESIGN LSM LIMITED

BALANCE SHEET
31 MARCH 2003

		2003		2002	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	5		208,961		201,829
CURRENT ASSETS:					
Debtors	6	100,397		131,002	
Prepayments and accrued income		1,723		-	
Cash at bank and in hand		119,120		137,220	
		<u>221,240</u>		<u>268,222</u>	
CREDITORS: Amounts falling due within one year	7	<u>105,529</u>		<u>120,759</u>	
NET CURRENT ASSETS:			<u>115,711</u>		<u>147,463</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			324,672		349,292
CREDITORS: Amounts falling due after more than one year	8		<u>156,522</u>		<u>171,154</u>
			<u>£168,150</u>		<u>£178,138</u>
CAPITAL AND RESERVES:					
Called up share capital	9		1,000		1,000
Profit and loss account			167,150		177,138
SHAREHOLDERS' FUNDS:			<u>£168,150</u>		<u>£178,138</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 March 2003.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2003 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

DESIGN LSM LIMITED

BALANCE SHEET
31 MARCH 2003

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 with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'S Labouchardiere', written in a cursive style.

S Labouchardiere - DIRECTOR

Approved by the Board on 23 June 2003

DESIGN LSM LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

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

Land and buildings	- not provided
Plant and machinery etc	- 25% on reducing balance, 20% on reducing balance and 15% on reducing balance

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

2. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2003	2002
	£	£
Depreciation - owned assets	12,544	11,287
Profit on disposal of fixed assets	-	(21,399)
	<u> </u>	<u> </u>
Directors' emoluments and other benefits etc	<u>129,842</u>	<u>88,318</u>

3. TAXATION

Analysis of the tax charge

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

	2003	2002
	£	£
Current tax:		
UK corporation tax	8,956	15,451
	<u> </u>	<u> </u>
Tax on profit on ordinary activities	<u>8,956</u>	<u>15,451</u>

UK corporation tax was charged at 20% in 2002.

4. DIVIDENDS

	2003	2002
	£	£
Interim - share type 1	20,000	18,232
Final - share type 1	24,270	26,125
	<u> </u>	<u> </u>
	<u>44,270</u>	<u>44,357</u>

DESIGN LSM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003**

5. TANGIBLE FIXED ASSETS

	Land and buildings	Plant and machinery etc	Totals
	£	£	£
COST:			
At 1 April 2002	154,849	73,183	228,032
Additions	-	19,675	19,675
At 31 March 2003	154,849	92,858	247,707
DEPRECIATION:			
At 1 April 2002	-	26,202	26,202
Charge for year	-	12,544	12,544
At 31 March 2003	-	38,746	38,746
NET BOOK VALUE:			
At 31 March 2003	154,849	54,112	208,961
At 31 March 2002	154,849	46,980	201,829

**6. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2003 £	2002 £
Trade debtors	100,397	130,302
Other debtors	-	700
	100,397	131,002

**7. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2003 £	2002 £
Bank loans and overdrafts	17,996	21,526
Trade creditors	18,824	29,226
Other creditors	4,555	-
Directors' current accounts	12,069	-
V.A.T.	23,616	28,885
Social security & other taxes	17,757	8,187
Taxation	8,212	29,845
Accrued expenses	2,500	3,090
	105,529	120,759

DESIGN LSM LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003

**8. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	2003	2002
	£	£
Bank loans	156,522	171,154
	<u> </u>	<u> </u>
Amounts falling due in more than five years:		
Repayable otherwise than by instalments		
Bank loans	-	128,360
	<u> </u>	<u> </u>

9. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2003	2002
			£	£
1,000	Ordinary	£1	1,000	1,000
			<u> </u>	<u> </u>