

ELITE DS LIMITED
FINANCIAL STATEMENTS
FOR
30TH JUNE 2000



Company Registration Number 3787708

COVENEY NICHOLLS
Chartered Accountants & Registered Auditors
The Old Wheel House
31/37 Church Street
Reigate
Surrey RH2 0AD

ELITE DS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2000

CONTENTS	PAGE
The directors' report	1
Auditors' report to the shareholders	3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6
The following pages do not form part of the financial statements	
Detailed profit and loss account	10
Notes to the detailed profit and loss account	11

ELITE DS LIMITED**THE DIRECTORS' REPORT****YEAR ENDED 30TH JUNE 2000**

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30th June 2000.

PRINCIPAL ACTIVITIES

The company was incorporated on 11 June 1999. The principal activity of the company during the year was that of dental laboratory services.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 30 June 2000	At 1 July 1999
G Sillet	1	-
C Chalkley	1	-
E Bradford	-	-

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 6, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also prepare the financial statements 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 statements comply with the Companies Act 1985. The directors 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.

AUDITORS

A resolution to re-appoint Coveney Nicholls as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

ELITE DS LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30TH JUNE 2000

SMALL COMPANY PROVISIONS

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

Registered office:
The Old Wheel House
31/37 Church Street
Reigate
Surrey
RH2 0AD

Signed by order of the directors



E. BRADFORD
Company Secretary

Approved by the directors on 18th December 2000

ELITE DS LIMITED**AUDITORS' REPORT TO THE SHAREHOLDERS****YEAR ENDED 30TH JUNE 2000**

We have audited the financial statements on pages 4 to 8 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described on page 1, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements 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 statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 statements 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 statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th June 2000 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

The Old Wheel House
31/37 Church Street
Reigate
Surrey RH2 0AD

Coveney Nicholls
COVENEY NICHOLLS
Chartered Accountants
& Registered Auditors

16.12.00

ELITE DS LIMITED**PROFIT AND LOSS ACCOUNT****YEAR ENDED 30TH JUNE 2000**

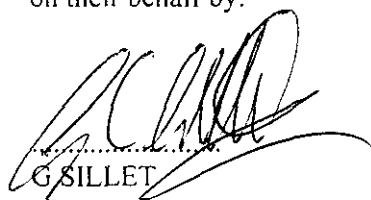
	Note	2000 £
TURNOVER		624,894
Cost of sales		(355,216)
GROSS PROFIT		269,678
Distribution Costs		(3,902)
Administrative expenses		(83,178)
OPERATING PROFIT	2	182,598
Interest receivable		1,396
Interest payable		(3,258)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		180,736
Tax on profit on ordinary activities	4	(31,892)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		148,844
Dividends	5	(11,896)
RETAINED PROFIT FOR THE FINANCIAL YEAR		<u>136,948</u>

ELITE DS LIMITED**BALANCE SHEET****30TH JUNE 2000**

	Note	2000 £	£
FIXED ASSETS			
Intangible assets	6		34,391
Tangible assets	7		<u>18,250</u>
			52,641
CURRENT ASSETS			
Stocks		7,357	
Debtors	8	109,326	
Cash at bank		<u>112,415</u>	
		229,098	
CREDITORS: Amounts falling due within one year	9	<u>(104,789)</u>	
NET CURRENT ASSETS			<u>124,309</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>176,950</u>
CREDITORS: Amounts falling due after more than one year	10		<u>(40,000)</u>
			<u>136,950</u>
CAPITAL AND RESERVES			
Called-up equity share capital	12		2
Profit and loss account			<u>136,948</u>
SHAREHOLDERS' FUNDS			<u>136,950</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved by the directors on the 18th December 2000, and are signed on their behalf by:



G SILLET



C CHALKLEY

ELITE DS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30TH JUNE 2000****1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - Straight line over 10 years

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property - Nil
 Motor Vehicles - 25% Reducing balance
 Equipment - 20% Reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

2. OPERATING PROFIT

Operating profit is stated after charging:

	2000
	£
Amortisation	3,821
Depreciation	5,055
Auditors' fees	<u>2,500</u>

3. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2000
	£
Aggregate emoluments	<u>27,500</u>

ELITE DS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30TH JUNE 2000****4. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	2000
	£
Corporation tax based on the results for the year at 20%	<u>31,892</u>

5. DIVIDENDS

The following dividends have been proposed in respect of the year:

	2000
	£
Proposed dividends on equity shares	<u>11,896</u>

6. INTANGIBLE FIXED ASSETS

	Goodwill
	£
COST	
Additions	<u>38,212</u>
At 30th June 2000	<u>38,212</u>
AMORTISATION	
Charge for the year	<u>3,821</u>
At 30th June 2000	<u>3,821</u>
NET BOOK VALUE	
At 30th June 2000	<u>34,391</u>

7. TANGIBLE FIXED ASSETS

	Laboratory	Motor	Equipment	Total
	£	Vehicles	£	£
		£		
COST				
Additions	<u>17,533</u>	<u>1,312</u>	<u>4,460</u>	<u>23,305</u>
At 30th June 2000	<u>17,533</u>	<u>1,312</u>	<u>4,460</u>	<u>23,305</u>
DEPRECIATION				
Charge for the year	<u>3,507</u>	<u>656</u>	<u>892</u>	<u>5,055</u>
At 30th June 2000	<u>3,507</u>	<u>656</u>	<u>892</u>	<u>5,055</u>
NET BOOK VALUE				
At 30th June 2000	<u>14,026</u>	<u>656</u>	<u>3,568</u>	<u>18,250</u>

ELITE DS LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30TH JUNE 2000****8. DEBTORS**

	2000 £
Trade debtors	<u>109,326</u>

9. CREDITORS: Amounts falling due within one year

	2000 £	£
Trade creditors		20,500
Other creditors comprise:		
Corporation tax	31,892	
Directors current a/c - G Sillet	<u>13,582</u>	
		45,474
Accruals and deferred income		<u>38,815</u>
		<u>104,789</u>

10. CREDITORS: Amounts falling due after more than one year

	2000 £
Bank loans and overdrafts	<u>40,000</u>

11. RELATED PARTY TRANSACTIONS

During the year the company purchased the trading assets of Elite Dental Studios partnership from Mr G Sillet and Mr C Chalkley. Mr Sillet and Mr Chalkley are the managing directors and only shareholders of Elite Dental Studios Limited.

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

12. SHARE CAPITAL**Authorised share capital:**

	2000 £
2 Ordinary shares of £1 each	<u>2</u>

Allotted, called up and fully paid:

	2000 £
Issue of ordinary shares	<u>2</u>