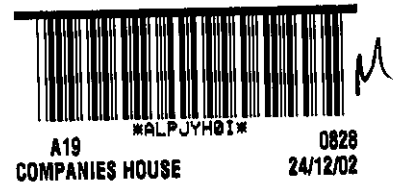


**Pitter Patters Limited**

**Financial Statements  
for the year ended 31 March 2002**



**Registration Number : 03893607**

**Pitter Patters Limited**

**Financial Statements  
for the year ended 31 March 2002**

**Company Information**

|                   |                                                                                                             |
|-------------------|-------------------------------------------------------------------------------------------------------------|
| Director          | L Colquhoun                                                                                                 |
| Secretary         | K M Whelan                                                                                                  |
| Company Number    | 03893607                                                                                                    |
| Registered Office | Maghull Business Centre<br>1 Liverpool Road North<br>Maghull<br>Merseyside                                  |
| Accountants       | McParland Williams<br>Maghull Business Centre<br>1 Liverpool Road North<br>Maghull<br>Merseyside<br>L31 2HB |
| Bankers           | Barclays Bank PLC<br>Liverpool North<br>Bootle<br>Merseyside                                                |

**Pitter Patters Limited**

**Financial Statements  
for the year ended 31 March 2002**

**Contents**

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| Profit and Loss Account           | <b>3</b>     |
| Balance Sheet                     | <b>4 - 5</b> |
| Notes to the Financial Statements | <b>6 - 9</b> |

*The following page does not form part of the statutory accounts :*

Detailed Trading and Profit and Loss Account

**Pitter Patters Limited**  
**Director's Report**  
**for the year ended 31 March 2002**

The director presents her report and the financial statements for the year ended 31 March 2002.

**Principal Activity**

The principal activity of the company was that of pre school childminding and nurseycare.

**Director and her Interest**

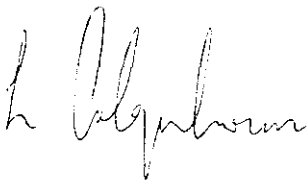
The director who served during the year and her interest in the company are as stated below:

|             | Ordinary shares |      |
|-------------|-----------------|------|
|             | 2002            | 2001 |
| L Colquhoun | 100             | 100  |

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

This report was approved by the Board on 13 December 2002 and signed on its behalf by :

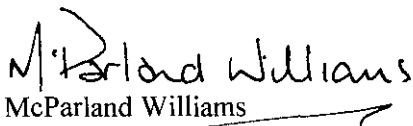
**L Colquhoun**  
**Director**



**Pitter Patters Limited**

**Accountants' Report on the Unaudited Financial Statements to the Director of  
Pitter Patters Limited**

As described on the Balance Sheet you are responsible for the preparation of the financial statements for the year ended 31 March 2002 set out on pages 3 to 9 and you consider that the company is exempt from an audit. In accordance with your instructions we have compiled these unaudited financial statements, in order to assist you to fulfil your statutory responsibilities, from the accounting records and information supplied to us.



McParland Williams  
Maghull Business Centre  
1 Liverpool Road North  
Maghull  
Merseyside  
L31 2HB

13 December 2002

**Pitter Patters Limited**

**Profit and Loss Account  
for the year ended 31 March 2002**

|                                                          |              | <b>2002</b> | <b>2001</b> |
|----------------------------------------------------------|--------------|-------------|-------------|
|                                                          | <b>Notes</b> | <b>£</b>    | <b>£</b>    |
| <b>Turnover</b>                                          | <b>2</b>     | 276,819     | 173,140     |
| Cost of sales                                            |              | (157,952)   | (74,723)    |
| <b>Gross profit</b>                                      |              | 118,867     | 98,417      |
| Administrative expenses                                  |              | (79,339)    | (33,470)    |
| <b>Operating profit</b>                                  | <b>3</b>     | 39,528      | 64,947      |
| Interest receivable<br>and similar income                |              | 407         | 310         |
| <b>Profit on ordinary<br/>activities before taxation</b> |              | 39,935      | 65,257      |
| Tax on profit on<br>ordinary activities                  | <b>5</b>     | (8,105)     | (12,759)    |
| <b>Profit on ordinary<br/>activities after taxation</b>  |              | 31,830      | 52,498      |
| Dividends                                                |              | (19,000)    | (17,500)    |
| <b>Retained profit for the year</b>                      |              | 12,830      | 34,998      |
| Retained profit brought forward                          |              | 34,998      | -           |
| <b>Retained profit carried forward</b>                   |              | 47,828      | 34,998      |

The notes on pages 6 to 9 form an integral part of these financial statements.

**Pitter Patters Limited**

**Balance Sheet  
as at 31 March 2002**

|                                                       |              | <b>2002</b>     |                 | <b>2001</b>     |               |
|-------------------------------------------------------|--------------|-----------------|-----------------|-----------------|---------------|
|                                                       | <b>Notes</b> | <b>£</b>        | <b>£</b>        | <b>£</b>        | <b>£</b>      |
| <b>Fixed Assets</b>                                   |              |                 |                 |                 |               |
| Intangible assets                                     | <b>6</b>     |                 | 52,650          |                 | -             |
| Tangible assets                                       | <b>7</b>     |                 | 18,952          |                 | 9,725         |
|                                                       |              |                 | <u>71,602</u>   |                 | <u>9,725</u>  |
| <b>Current Assets</b>                                 |              |                 |                 |                 |               |
| Stocks                                                |              | 400             |                 | 375             |               |
| Debtors                                               | <b>8</b>     | 14,220          |                 | 1,167           |               |
| Cash at bank and in hand                              |              | 48,843          |                 | 46,185          |               |
|                                                       |              | <u>63,463</u>   |                 | <u>47,727</u>   |               |
| <b>Creditors: amounts falling due within one year</b> | <b>9</b>     | <u>(87,137)</u> |                 | <u>(22,354)</u> |               |
| <b>Net Current (Liabilities)/Assets</b>               |              |                 | <u>(23,674)</u> |                 | <u>25,373</u> |
|                                                       |              |                 | <u>47,928</u>   |                 | <u>35,098</u> |
| <b>Capital and Reserves</b>                           |              |                 |                 |                 |               |
| Called up share capital                               | <b>10</b>    |                 | 100             |                 | 100           |
| Profit and loss account                               |              |                 | 47,828          |                 | 34,998        |
| <b>Shareholders' Funds</b>                            |              |                 | <u>47,928</u>   |                 | <u>35,098</u> |

The director's statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 6 to 9 form an integral part of these financial statements.

**Pitter Patters Limited**

**Balance Sheet (continued)**

**Director's statements required by Section 249B(4)  
for the year ended 31 March 2002**

In approving these financial statements as director of the company I hereby confirm:

(a) that for the year stated above 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 2002 and

(c) that I acknowledge my responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements 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 profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are 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 March 2000).

The financial statements were approved by the Board on 13 December 2002 and signed on its behalf by

**L Colquhoun**  
**Director**

A handwritten signature in dark ink, appearing to read 'L Colquhoun', written over the printed name and title.

**The notes on pages 6 to 9 form an integral part of these financial statements.**

## **Pitter Patters Limited**

### **Notes to the Financial Statements for the year ended 31 March 2002**

#### **1. Accounting Policies**

##### **1.1. Accounting convention**

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

##### **1.2. Turnover**

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

##### **1.3. Goodwill**

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 10 years.

##### **1.4. Tangible fixed assets and depreciation**

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

|                                     |   |                      |
|-------------------------------------|---|----------------------|
| Toys                                | - | 25% Reducing Balance |
| Fixtures, fittings<br>and equipment | - | 15% Reducing Balance |
| Motor vehicles                      | - | 25% Reducing balance |

##### **1.5. Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

##### **1.6. Stock**

Stock is valued at the lower of cost and net realisable value.

##### **1.7. Deferred taxation**

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the director considers that a liability to taxation is unlikely to materialise.

#### **2. Turnover**

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

#### **3. Operating profit**

|                                                              | <b>2002</b> | <b>2001</b> |
|--------------------------------------------------------------|-------------|-------------|
|                                                              | <b>£</b>    | <b>£</b>    |
| Operating profit is stated after charging:                   |             |             |
| Depreciation and other amounts written off intangible assets | 5,850       | -           |
| Depreciation                                                 | 3,292       | 2,268       |

**Pitter Patters Limited**

**Notes to the Financial Statements  
for the year ended 31 March 2002**

..... continued

**4. Director's emoluments**

|              | <b>2002</b>       | <b>2001</b>       |
|--------------|-------------------|-------------------|
|              | <b>£</b>          | <b>£</b>          |
| Remuneration | 8,276             | 7,596             |
|              | <u>          </u> | <u>          </u> |

**5. Taxation**

|                                 | <b>2002</b>       | <b>2001</b>       |
|---------------------------------|-------------------|-------------------|
|                                 | <b>£</b>          | <b>£</b>          |
| <b>UK current year taxation</b> |                   |                   |
| UK Corporation Tax              | 8,105             | 12,759            |
|                                 | <u>          </u> | <u>          </u> |

**6. Intangible fixed assets**

|                                              | <b>Goodwill</b> | <b>Total</b>  |
|----------------------------------------------|-----------------|---------------|
|                                              | <b>£</b>        | <b>£</b>      |
| <b>Cost</b>                                  |                 |               |
| Additions                                    | 58,500          | 58,500        |
| At 31 March 2002                             | <u>58,500</u>   | <u>58,500</u> |
| <b>Provision for<br/>diminution in value</b> |                 |               |
| Charge for year                              | 5,850           | 5,850         |
| At 31 March 2002                             | <u>5,850</u>    | <u>5,850</u>  |
| <b>Net book values</b>                       |                 |               |
| At 31 March 2002                             | <u>52,650</u>   | <u>52,650</u> |

**Pitter Patters Limited**

**Notes to the Financial Statements  
for the year ended 31 March 2002**

..... continued

**7. Tangible fixed assets**

|                        | <b>Toys</b>  | <b>Fixtures,<br/>fittings<br/>equipment</b> | <b>Motor<br/>vehicles</b> | <b>Total</b>  |
|------------------------|--------------|---------------------------------------------|---------------------------|---------------|
|                        | <b>£</b>     | <b>£</b>                                    | <b>£</b>                  | <b>£</b>      |
| <b>Cost</b>            |              |                                             |                           |               |
| At 1 April 2001        | 4,673        | 7,320                                       | -                         | 11,993        |
| Additions              | -            | 7,319                                       | 5,200                     | 12,519        |
| At 31 March 2002       | <u>4,673</u> | <u>14,639</u>                               | <u>5,200</u>              | <u>24,512</u> |
| <b>Depreciation</b>    |              |                                             |                           |               |
| At 1 April 2001        | 1,168        | 1,100                                       | -                         | 2,268         |
| Charge for the year    | 876          | 1,116                                       | 1,300                     | 3,292         |
| At 31 March 2002       | <u>2,044</u> | <u>2,216</u>                                | <u>1,300</u>              | <u>5,560</u>  |
| <b>Net book values</b> |              |                                             |                           |               |
| At 31 March 2002       | <u>2,629</u> | <u>12,423</u>                               | <u>3,900</u>              | <u>18,952</u> |
| At 31 March 2001       | <u>3,505</u> | <u>6,220</u>                                | <u>-</u>                  | <u>9,725</u>  |

**8. Debtors**

|               | <b>2002<br/>£</b> | <b>2001<br/>£</b> |
|---------------|-------------------|-------------------|
| Trade debtors | -                 | 1,167             |
| Other debtors | 14,220            | -                 |
|               | <u>14,220</u>     | <u>1,167</u>      |

Included within other debtors is a loan of £11,375.00 to L Colquhoun, a director. The maximum amount outstanding during the year was £11,375.00.

**Pitter Patters Limited**

**Notes to the Financial Statements  
for the year ended 31 March 2002**

..... continued

| <b>9. Creditors: amounts falling due within one year</b> | <b>2002<br/>£</b>     | <b>2001<br/>£</b>     |
|----------------------------------------------------------|-----------------------|-----------------------|
| Bank loans and overdraft                                 | 73,309                | -                     |
| Corporation tax                                          | 10,949                | 12,759                |
| Other taxes and social security costs                    | 2,879                 | 2,494                 |
| Director's accounts                                      | -                     | 3,299                 |
| Other creditors                                          | -                     | 3,802                 |
|                                                          | <u>87,137</u>         | <u>22,354</u>         |
| <br><b>10. Share capital</b>                             | <br><b>2002<br/>£</b> | <br><b>2001<br/>£</b> |
| <b>Authorised</b>                                        |                       |                       |
| 1,000 Ordinary shares of £1 each                         | <u>1,000</u>          | <u>1,000</u>          |
| <br><b>Allotted, called up and fully paid</b>            |                       |                       |
| 100 Ordinary shares of £1 each                           | <u>100</u>            | <u>100</u>            |

**Pitter Patters Limited**

**Trading and Profit and Loss Account  
for the year ended 31 March 2002**

|                                   | 2002           |                  | 2001          |                 |
|-----------------------------------|----------------|------------------|---------------|-----------------|
|                                   | £              | £                | £             | £               |
| <b>Sales</b>                      |                |                  |               |                 |
| Sales                             |                | 276,595          |               | 173,140         |
| Other income                      |                | 224              |               | -               |
|                                   |                | <u>276,819</u>   |               | <u>173,140</u>  |
| <b>Direct costs</b>               |                |                  |               |                 |
| Opening stock                     | 375            |                  | -             |                 |
| Wages and salaries                | 140,597        |                  | 63,779        |                 |
| Food and drink                    | 11,244         |                  | 7,374         |                 |
| Replacement toys                  | 5,099          |                  | 3,945         |                 |
| Childrens education               | 230            |                  | -             |                 |
| Uniforms                          | 807            |                  | -             |                 |
|                                   | <u>158,352</u> |                  | <u>75,098</u> |                 |
| Closing stock                     | (400)          |                  | (375)         |                 |
|                                   |                | <u>(157,952)</u> |               | <u>(74,723)</u> |
| <b>Gross profit</b>               | 43%            | 118,867          | 57%           | 98,417          |
| <b>Administrative expenses</b>    |                |                  |               |                 |
| Directors' remuneration           | 8,276          |                  | 7,596         |                 |
| Rent and rates                    | 20,285         |                  | 6,855         |                 |
| Insurance                         | 1,742          |                  | 1,121         |                 |
| Light and heat                    | 1,243          |                  | 1,440         |                 |
| Repairs and maintenance           | 11,656         |                  | 3,552         |                 |
| Printing, postage and stationery  | 2,948          |                  | 730           |                 |
| Advertising                       | 500            |                  | 847           |                 |
| Telephone                         | 1,116          |                  | 1,201         |                 |
| Motor expenses                    | 4,299          |                  | 1,789         |                 |
| Legal and professional            | 6,451          |                  | 866           |                 |
| Accountancy                       | 1,018          |                  | 940           |                 |
| Bank charges                      | 4,188          |                  | 515           |                 |
| Interest on loans                 | 3,122          |                  | 725           |                 |
| Cleaning                          | 2,084          |                  | 1,452         |                 |
| General expenses                  | 1,195          |                  | 1,423         |                 |
| Subscriptions                     | 74             |                  | 150           |                 |
| Depreciation on intangible assets | 5,850          |                  | -             |                 |
| Depreciation on Toys              | 876            |                  | 1,168         |                 |
| Depreciation on FF & Equipment    | 1,116          |                  | 1,100         |                 |
| Depreciation on motor vehicles    | 1,300          |                  | -             |                 |
|                                   |                | <u>79,339</u>    |               | <u>33,470</u>   |

**Pitter Patters Limited**

**Trading and Profit and Loss Account  
for the year ended 31 March 2002**

|                                | 2002       |                      | 2001       |                      |
|--------------------------------|------------|----------------------|------------|----------------------|
|                                | £          | £                    | £          | £                    |
| <b>Operating profit</b>        |            | 39,528               | 38%        | 64,947               |
| <b>Interest receivable</b>     |            |                      |            |                      |
| Bank deposit interest          | <u>407</u> |                      | <u>310</u> |                      |
|                                |            | 407                  |            | 310                  |
| <b>Net profit for the year</b> |            | <u><u>39,935</u></u> |            | <u><u>65,257</u></u> |