

**REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004
FOR
NAILS AND VEILS LIMITED**



NAILS AND VEILS LIMITED

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for the Year Ended 30 June 2004

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NAILS AND VEILS LIMITED

COMPANY INFORMATION
for the Year Ended 30 June 2004

DIRECTORS:

Miss W E Knight
N Smith

SECRETARY:

N Smith

REGISTERED OFFICE:

5 School Road
Calne
Wiltshire
SN11 9FG

REGISTERED NUMBER:

4227621 (England and Wales)

ACCOUNTANTS:

John Davis and Co.
48 The Causeway
Chippenham
Wiltshire
SN15 3DD

NAILS AND VEILS LIMITED

**REPORT OF THE DIRECTORS
for the Year Ended 30 June 2004**

The directors present their report with the financial statements of the company for the year ended 30 June 2004.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of Beauty Consultancy.

DIRECTORS

The directors during the year under review were:

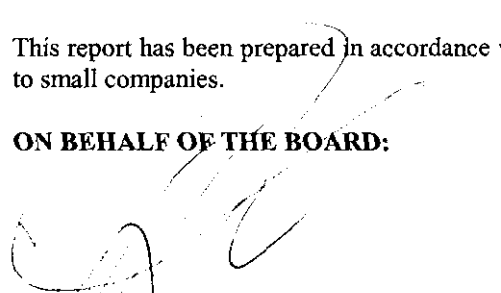
Miss W E Knight
N Smith

The beneficial interests of the directors holding office on 30 June 2004 in the issued share capital of the company were as follows:

	30.6.04	1.7.03
Ordinary £1 shares		
Miss W E Knight	1	1
N Smith	-	-

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:


.....
Miss W E Knight - Director

Date: 19/06/04

NAILS AND VEILS LIMITED

PROFIT AND LOSS ACCOUNT
for the Year Ended 30 June 2004

	Notes	2004 £	2003 £
TURNOVER		67,172	49,771
Cost of sales		6,360	11,756
GROSS PROFIT		60,812	38,015
Administrative expenses		28,125	23,164
OPERATING PROFIT	2	32,687	14,851
Interest receivable and similar income		2	-
		32,689	14,851
Interest payable and similar charges	3	652	447
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		32,037	14,404
Tax on profit on ordinary activities		5,767	948
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		26,270	13,456
Dividends		26,400	2,700
(DEFICIT)/RETAINED PROFIT FOR THE YEAR		(130)	10,756

The notes form part of these financial statements

NAILS AND VEILS LIMITED

BALANCE SHEET 30 June 2004

	Notes	2004 £	£	2003 £	£
FIXED ASSETS					
Intangible assets	4		28,500		30,000
Tangible assets	5		3,468		4,857
			<u>31,968</u>		<u>34,857</u>
CURRENT ASSETS					
Stocks	6	2,000		2,000	
Debtors	7	-		241	
Cash at bank and in hand		246		764	
		<u>2,246</u>		<u>3,005</u>	
CREDITORS					
Amounts falling due within one year	8	11,074		12,842	
		<u>11,074</u>		<u>12,842</u>	
NET CURRENT LIABILITIES			<u>(8,828)</u>		<u>(9,837)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			23,140		25,020
CREDITORS					
Amounts falling due after more than one year	9		1,000		2,750
			<u>22,140</u>		<u>22,270</u>
CAPITAL AND RESERVES					
Called up share capital	10		1		1
Profit and loss account	11		22,139		22,269
			<u>22,140</u>		<u>22,270</u>
SHAREHOLDERS' FUNDS			<u>22,140</u>		<u>22,270</u>

The notes form part of these financial statements

NAILS AND VEILS LIMITED

BALANCE SHEET - continued
30 June 2004

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 30 June 2004.

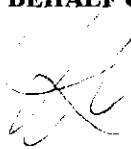
The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2004 in accordance with Section 249B(2) of the Companies Act 1985.

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.

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:



.....
Miss W E Knight - Director

Approved by the Board on 19/10/04

The notes form part of these financial statements

NAILS AND VEILS LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 30 June 2004

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.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2003, is being written off evenly over its estimated useful life of twenty years.

Tangible fixed assets

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

Fixtures and fittings - 25% on cost

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

The operating profit is stated after charging:

	2004	2003
	£	£
Depreciation - owned assets	2,063	1,619
Goodwill written off	1,500	-
	<u> </u>	<u> </u>
Directors' emoluments and other benefits etc	5,580	5,200
	<u> </u>	<u> </u>

3. INTEREST PAYABLE AND SIMILAR CHARGES

Interest payable and similar charges includes the following:

	2004	2003
	£	£
Loan	652	447
	<u> </u>	<u> </u>

NAILS AND VEILS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 June 2004

4. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 July 2003	
and 30 June 2004	30,000
AMORTISATION	
Amortisation for year	1,500
At 30 June 2004	1,500
NET BOOK VALUE	
At 30 June 2004	28,500
At 30 June 2003	30,000

5. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1 July 2003	7,577
Additions	674
At 30 June 2004	8,251
DEPRECIATION	
At 1 July 2003	2,720
Charge for year	2,063
At 30 June 2004	4,783
NET BOOK VALUE	
At 30 June 2004	3,468
At 30 June 2003	4,857

6. STOCKS

	2004	2003
	£	£
Stocks	2,000	2,000

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	£	£
Other debtors	-	241

NAILS AND VEILS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 June 2004

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	£	£
Bank loans and overdrafts	2,772	6,145
Trade creditors	-	2,132
Taxation and social security	7,369	996
Other creditors	933	3,569
	<u>11,074</u>	<u>12,842</u>

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

	2004	2003
	£	£
Other creditors	<u>1,000</u>	<u>2,750</u>

10. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2004	2003
			£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2004	2003
			£	£
1	Ordinary	£1	<u>1</u>	<u>1</u>

11. RESERVES

	Profit and loss account
	£
At 1 July 2003	22,269
Deficit for the year	(130)
	<u>22,139</u>
At 30 June 2004	