CREMFIELDS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2003

CONTENTS

	Page
COMPANY INFORMATION	2
REPORT OF THE DIRECTORS	3
REPORT OF THE ACCOUNTANTS	4
PROFIT AND LOSS ACCOUNT	5
BALANCE SHEET	6
DIRECTORS' STATEMENT ON THE BALANCE SHEET	6a
NOTES TO THE FINANCIAL STATEMENTS	7 - 10

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COMPANY NUMBER: 4505521

COMPANY INFORMATION

DIRECTORS:	Andrew Lockyer Carolyn Wall
SECRETARY:	Carolyn Wall
REGISTERED OFFICE:	The Old Emporium Bow Street LANGPORT Somerset TA10 9PQ
COMPANY NUMBER:	**4505521**
ACCOUNTANTS:	Jean Davenport (Accountants) The Old Emporium Bow Street LANGPORT Somerset TA10 9PQ
BANKERS:	National Westminster Bank plc 2 Hendford Yeovil Somerset BA20 1TN

CREMFIELDS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2003

The directors present their first report and the financial statements for the period ended 31 August 2003.

Principal Activities
The Company was incorporated on 7th August 2002 and commenced trading on 19th August 2002. The principal activities of the company are those of business and management consultancy.

Directors
The directors who served during the period and their interests in the shares of the company at the end of the period were as follows:

	Ordinary Shares of £1 Each 31 August 2003
Andrew Lockyer & Carolyn Wall	100

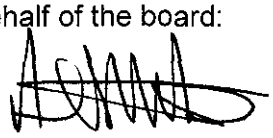
Directors' Responsibilities
Company law requires directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to *presume that the company will continue in business.*

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. 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.

This report was approved by the Board on 08 December 2003, taking advantage of special exemptions available to small companies conferred by Part II of Schedule 8 to the Companies Act 1985.

Signed on behalf of the board:



ACCOUNTANT'S REPORT TO THE MEMBERS OF CREMFIELDS LIMITED FOR THE PERIOD ENDED 31 AUGUST 2003

In accordance with instructions given to me, I have prepared the financial statements set out on pages 4 to 10 from the accounting records of Cremfields Limited and from the information and explanations supplied to me by the management of the company.

I have not audited the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Jean Davenport

The Old Emporium
Bow Street
LANGPORT
Somerset
TA10 9PQ

JEAN DAVENPORT
(ACCOUNTANTS)

Dated: 16-12-03

CREMFIELDS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 AUGUST 2003

	Notes	31/08/03 £
TURNOVER	1.2 & 2	73262
Cost of sales		1800
GROSS PROFIT		71462
Other income		560
Administrative Expenses		37476
OPERATING PROFIT	3	34546
Tax on profit on ordinary activities	4	5742
PROFIT FOR THE FINANCIAL PERIOD		28804
Dividends	5	28170
PROFIT FOR THE PERIOD		**634**

- The company was incorporated on 7th August 2002 and commenced trading on 19th August 2002.
- There were no recognised gains or losses other than those recognised in the Profit and Loss Account.
- The profit on ordinary activities before taxation and the retained profit have been calculated on the historical cost basis.
- The notes on pages 7 to 10 form an integral part of these financial statements.

CREMFIELDS LIMITED

BALANCE SHEET AS AT 31 AUGUST 2003

	Notes	£	31/08/03 £
TANGIBLE FIXED ASSETS	6		1542
CURRENT ASSETS			
Debtors	7	7445	
Cash at Bank and in Hand		15100	
		22545	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	8	23188	
NET CURRENT (LIABILITIES)			(643)
TOTAL ASSETS LESS CURRENT LIABILTIES			899
PROVISIONS FOR LIABILITIES AND CHARGES	9		165
NET ASSETS			734
CAPITAL AND RESERVES			
Called Up Share Capital	10		100
Profit and Loss Account	11		634
Shareholders' Funds	12		734

The notes on pages 7 to 10 form an
integral part of these financial statements.

See continuation sheet on page 6A for Directors' Statement on the Balance Sheet

CREMFIELDS LIMITED

DIRECTORS' STATEMENT ON THE BALANCE SHEET

FOR THE PERIOD ENDED 31 AUGUST 2003

For the period in question, the directors were satisfied that the company was entitled to exemption from an audit under section 249A (1) of the Companies Act 1985 and no member or members have requested an audit pursuant to section 249B (2) of the Act. The directors acknowledge their responsibility for:

(a) ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985; and

(b) 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 profit or loss for the financial year in accordance with the requirements of section 226 of the Companies Act 1985, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

Advantage has been taken, in the preparation of the accounts, of special exemptions applicable to small companies on the grounds that, in the Directors' opinion, the company qualifies as a small company under s246 and s247 of the Companies Act 1985.

Director:

Director:

Dated: 08 December 2003

1. ACCOUNTING POLICIES

The following accounting policies have been consistently applied in dealing with the items which are considered material in relation to the company's accounts.

1.1 Basis of preparation of accounts

The financial statements are prepared under the historical cost convention and incorporate the results of the principal activities which are described in the directors' report and which are continuing.

The company has taken advantage of the exemption in FRS 1 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office Equipment	20% reducing balance basis

1.4 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.5 Deferred taxation

The charge for taxation is based on the profit for the year and takes into account deferred taxation.

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

2. TURNOVER

There were no exports during the financial period.

3. OPERATING PROFIT

The operating profit is stated after charging:

	31/08/03
	£
Depreciation of tangible fixed assets owned by the company	385
Directors' remuneration	13399

4. TAXATION

	31/08/03
	£
UK Current Year Taxation:	
UK Corporation tax at 10%/19%	5577
Transfer to deferred taxation	165
	5742

5. DIVIDENDS

	31/08/03
An interim dividend of £247.50 per share was declared	24750
A final dividend of £34.20 per share was declared	3420
	28170

6. TANGIBLE FIXED ASSETS

	Office Equipment Fixtures & Fittings
	£
Cost or valuation:	
Additions	1927
At 31/08/03	1927
Depreciation:	
Charge for the period	385
At 31/08/03	385
Net Book Values:	
At 31/08/03	1542

7. DEBTORS

	31/08/03 £
Due within one year:	
Trade debtors	7445

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/08/03 £
Trade Creditors	1800
Corporation Tax	5577
Other Taxation and Social Security	693
Accruals and deferred income	960
Directors' loan accounts	14158
	23188

9. DEFERRED TAXATION

	Provided For	Maximum Potential Liability
	31/08/03 £	31/08/03 £
Accelerated Capital Allowances	165	165

10. CALLED UP SHARE CAPITAL

	31/08/03 £
Authorised:	
Ordinary shares of £1 each	100000
Issued and fully paid:	
Ordinary shares of £1 each	100

During the period 100 ordinary shares were issued

11. PROFIT AND LOSS ACCOUNT

	31/08/03 £
Profit for the period	634
Balance at 31 August 2003	634

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

	31/08/03 £
Profit for the period	28804
Dividends	28170
	634
Shares issued during the period	100
Shareholders funds at 31/08/03	734