

REGISTERED NUMBER: 4491399

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003
FOR
CREATE INTERIORS LIMITED**



CREATE INTERIORS LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2003**

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CREATE INTERIORS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2003

DIRECTORS:

J F Otter
W Allen
A Clark
J McNabola

SECRETARY:

Mrs F Otter

REGISTERED OFFICE:

257b Croydon Road
Beckenham
Kent
BR3 3PS

REGISTERED NUMBER:

4491399

AUDITORS:

Edwards Chartered Accountants
257b Croydon Road
Beckenham
Kent
BR3 3PS

CREATE INTERIORS LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2003

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

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of office fit outs.

DIRECTORS

The directors during the year under review were:

J F Otter
W Allen
A Clark
J McNabola

The directors holding office at 31 December 2003 did not hold any beneficial interest in the issued share capital of the company at 1 January 2003 or 31 December 2003.

STATEMENT OF 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 and of the profit or loss of the company for that period. In preparing those financial statements, the 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 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. They 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

The auditors, Edwards Chartered Accountants, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

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:



Mrs F Otter - Secretary

24 August 2004

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
CREATE INTERIORS LIMITED**

We have audited the financial statements of Create Interiors Limited for the year ended 31 December 2003 on pages four to nine. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 31 December 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Edwards Chartered Accountants
257b Croydon Road
Beckenham
Kent
BR3 3PS

24 August 2004

CREATE INTERIORS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2003

	Notes	Year Ended 31.12.03 £	Period 22.7.02 to 31.12.02 £
TURNOVER		2,105,086	239,146
Cost of sales		<u>1,532,404</u>	<u>125,790</u>
GROSS PROFIT		572,682	113,356
Administrative expenses		<u>518,843</u>	<u>79,290</u>
OPERATING PROFIT	2	53,839	34,066
Interest payable and similar charges		<u>44</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		53,795	34,066
Tax on profit on ordinary activities	3	<u>12,216</u>	<u>6,664</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		41,579	27,402
Dividends	4	<u>-</u>	<u>27,000</u>
RETAINED PROFIT FOR THE YEAR		<u>41,579</u>	<u>402</u>

The notes form part of these financial statements

CREATE INTERIORS LIMITED

**BALANCE SHEET
31 DECEMBER 2003**

	Notes	2003 £	£	2002 £	£
FIXED ASSETS					
Tangible assets	5		7,117		3,450
CURRENT ASSETS					
Stocks	6	39,757		(34,500)	
Debtors	7	465,546		108,250	
Cash at bank		59,698		-	
		<u>565,001</u>		<u>73,750</u>	
CREDITORS					
Amounts falling due within one year	8	528,983		76,133	
NET CURRENT ASSETS/(LIABILITIES)			<u>36,018</u>		<u>(2,383)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>43,135</u>		<u>1,067</u>
PROVISIONS FOR LIABILITIES AND CHARGES					
	9		1,153		664
			<u>41,982</u>		<u>403</u>
CAPITAL AND RESERVES					
Called up share capital	10		1		1
Profit and loss account	11		41,981		402
SHAREHOLDERS' FUNDS			<u>41,982</u>		<u>403</u>

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:



J.F. Otter - Director

Approved by the Board on 24 August 2004

CREATE INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 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.

Fixtures and fittings	- 20% on cost
Computer equipment	- 25% on cost

Stocks

Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Deferred tax

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

2. OPERATING PROFIT

The operating profit is stated after charging:

	Year Ended 31.12.03	Period 22.7.02 to 31.12.02
	£	£
Depreciation - owned assets	1,228	133
Auditors remuneration	1,500	500
	<u> </u>	<u> </u>
Directors' emoluments and other benefits etc	165,000	58,878
	<u> </u>	<u> </u>

CREATE INTERIORS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2003**

3. TAXATION

Analysis of the tax charge

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

	Year Ended 31.12.03 £	Period 22.7.02 to 31.12.02 £
Current tax:		
UK corporation tax	11,727	6,000
Deferred tax	<u>489</u>	<u>664</u>
Tax on profit on ordinary activities	<u><u>12,216</u></u>	<u><u>6,664</u></u>

4. DIVIDENDS

	Year Ended 31.12.03 £	Period 22.7.02 to 31.12.02 £
Final	<u><u>-</u></u>	<u><u>27,000</u></u>

5. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 January 2003	-	3,583	3,583
Additions	<u>1,750</u>	<u>3,145</u>	<u>4,895</u>
At 31 December 2003	<u><u>1,750</u></u>	<u><u>6,728</u></u>	<u><u>8,478</u></u>
DEPRECIATION			
At 1 January 2003	-	133	133
Charge for year	<u>99</u>	<u>1,129</u>	<u>1,228</u>
At 31 December 2003	<u><u>99</u></u>	<u><u>1,262</u></u>	<u><u>1,361</u></u>
NET BOOK VALUE			
At 31 December 2003	<u><u>1,651</u></u>	<u><u>5,466</u></u>	<u><u>7,117</u></u>
At 31 December 2002	<u><u>-</u></u>	<u><u>3,450</u></u>	<u><u>3,450</u></u>

6. STOCKS

	2003 £	2002 £
Stocks	39,757	-
Excess payments on account	<u><u>-</u></u>	<u><u>(34,500)</u></u>

CREATE INTERIORS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2003**

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		2003	2002
		£	£
Trade debtors		414,835	89,526
Amounts owed by group undertakings		50,711	11,230
Other debtors		-	7,494
		<u>465,546</u>	<u>108,250</u>
8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		2003	2002
		£	£
Bank loans and overdrafts		-	5,694
Trade creditors		409,612	57,954
Taxation and social security		38,297	11,681
Other creditors		81,074	804
		<u>528,983</u>	<u>76,133</u>
9. PROVISION FOR LIABILITIES AND CHARGES		2003	2002
		£	£
Deferred tax		<u>1,153</u>	<u>664</u>
			Deferred tax
			£
Balance at 1 January 2003			664
Accelerated capital allowances			489
Balance at 31 December 2003			<u>1,153</u>
10. CALLED UP SHARE CAPITAL			
Authorised:			
Number:	Class:	Nominal value:	
			2003
			£
100	Ordinary	£1	<u>100</u>
			<u>2002</u>
			£
			100
Allotted, issued and fully paid:			
Number:	Class:	Nominal value:	
			2003
			£
1	Ordinary	£1	<u>1</u>
			<u>2002</u>
			£
			1

CREATE INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2003

11. RESERVES

	Profit and loss account
At 1 January 2003	£ 402
Retained profit for the year	41,579
	<hr/>
At 31 December 2003	41,981
	<hr/> <hr/>

12. ULTIMATE PARENT COMPANY

In the opinion of the directors, the immediate and ultimate parent undertaking is Techcrete Limited, company number 2071631. Copies of their accounts are available to the public from Companies House, Crown Way, Cardiff CF14 3UZ.

CREATE INTERIORS LIMITED

**TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2003**

	Year Ended 31.12.03		Period 22.7.02 to 31.12.02	
	£	£	£	£
Sales		2,105,086		239,146
Cost of sales				
Sub-contract	639,441		87,835	
Hire of plant and machinery	2,462		-	
Other direct costs	33,220		-	
Labour and materials	857,281		37,955	
		<u>1,532,404</u>		<u>125,790</u>
GROSS PROFIT		572,682		113,356
Expenditure				
Rent	1,789		565	
Insurance	9,701		-	
Light and heat	331		-	
Directors' salaries	165,000		58,878	
Wages	25,751		1,962	
Social security	14,625		6,541	
Subscriptions	2,520		304	
Telephone	10,250		793	
Post and stationery	3,415		874	
Advertising	1,415		-	
Travelling	11,915		2,293	
Temp staff and recruitment	1,653		-	
Repairs and renewals	743		570	
Management charge	254,175		-	
Sundry expenses	1,349		546	
Accountancy	-		3,800	
Legal and professional	329		990	
Auditors remuneration	1,500		500	
Depreciation of tangible fixed assets	1,228		133	
Hire of plant and machinery	189		-	
Entertainment	10,962		541	
		<u>518,840</u>		<u>79,290</u>
		53,842		34,066
Finance costs				
Bank charges	3		-	
Loan interest	44		-	
		<u>47</u>		<u>-</u>
NET PROFIT		53,795		34,066

This page does not form part of the statutory financial statements