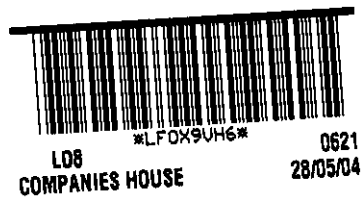


REGISTERED NUMBER: 2936524 (England and Wales)

THEMEDAWN LIMITED
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2003



THEMEDAWN LIMITED

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FOR THE YEAR ENDED 30 NOVEMBER 2003**

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THEMEDAWN LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 NOVEMBER 2003**

DIRECTORS: Mr P Scrancher
Mrs J S Scrancher

SECRETARY: Mrs J S Scrancher

REGISTERED OFFICE: 4 Prince George Street
Havant
Hampshire
PO9 1BG

REGISTERED NUMBER: 2936524 (England and Wales)

ACCOUNTANTS: Rothman Pantall & Co
Chartered Accountants
4 Prince George Street
Havant
Hampshire
PO9 1BG

BANKERS: National Westminster Bank plc
PO Box 877
31 Cheapside
London
EC2V 6HT

THEMEDAWN LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 NOVEMBER 2003**

The directors present their report with the financial statements of the company for the year ended 30 November 2003.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of pawnbroking, credit brokers and dealing in second hand goods.

DIRECTORS

The directors during the year under review were:

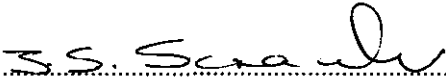
Mr P Scrancher	
Ms C Muir	- resigned 30.4.03
Mrs J S Scrancher	- appointed 1.5.03

The beneficial interests of the directors holding office on 30 November 2003 in the issued share capital of the company were as follows:

	30.11.03	1.12.02 or date of appointment if later
Ordinary £1 shares		
Mr P Scrancher	95	95
Mrs J S Scrancher	-	-

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 J S Scrancher - Secretary

Date: 26.5.04

THEMEDAWN LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 NOVEMBER 2003**

	Notes	30.11.03 £	30.11.02 £
TURNOVER		781,606	811,015
Cost of sales		<u>492,549</u>	<u>441,335</u>
GROSS PROFIT		289,057	369,680
Administrative expenses		<u>199,509</u>	<u>301,855</u>
OPERATING PROFIT	2	89,548	67,825
Interest receivable and similar income		<u>34</u>	<u>1</u>
		89,582	67,826
Interest payable and similar charges		<u>2,954</u>	<u>9,067</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		86,628	58,759
Tax on profit on ordinary activities	3	<u>18,935</u>	<u>19,188</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		67,693	39,571
RETAINED PROFIT FOR THE YEAR		67,693	39,571

The notes form part of these financial statements

THEMEDAWN LIMITED**BALANCE SHEET
30 NOVEMBER 2003**

		30.11.03	30.11.02
	Notes	£	£
FIXED ASSETS			
Intangible assets	4	3,727	7,625
Tangible assets	5	81,823	70,777
		<u>85,550</u>	<u>78,402</u>
CURRENT ASSETS			
Stocks		69,308	52,236
Debtors	6	213,733	114,681
Cash at bank and in hand		41,253	115,208
		<u>324,294</u>	<u>282,125</u>
CREDITORS			
Amounts falling due within one year	7	185,087	193,967
NET CURRENT ASSETS		<u>139,207</u>	<u>88,158</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>224,757</u>	<u>166,560</u>
CREDITORS			
Amounts falling due after more than one year	8	(19,186)	(27,633)
PROVISIONS FOR LIABILITIES AND CHARGES	9	(6,830)	(7,879)
		<u>198,741</u>	<u>131,048</u>
CAPITAL AND RESERVES			
Called up share capital	10	100	100
Profit and loss account	11	198,641	130,948
SHAREHOLDERS' FUNDS		<u>198,741</u>	<u>131,048</u>

The notes form part of these financial statements

THEMEDAWN LIMITED

BALANCE SHEET - continued
30 NOVEMBER 2003

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 30 November 2003.

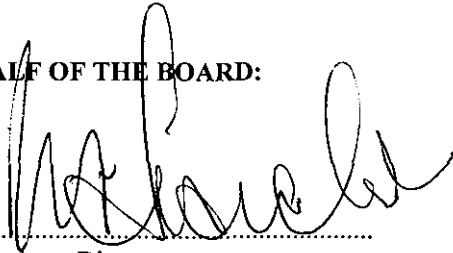
The members have not required the company to obtain an audit of its financial statements for the year ended 30 November 2003 in accordance with Section 249B(2) of the Companies Act 1985.

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:



.....
Mr P Scrancher - Director

Approved by the Board on 26th May 2004

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 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.

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:

Franchise & license fees - 5 - 10 years

Tangible fixed assets

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

Short leasehold	- Over the period of the lease
Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 20% on reducing balance
Computer equipment	- 20% on 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.

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 Agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Operating Lease Agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

2. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	30.11.03	30.11.02
	£	£
Depreciation - owned assets	15,513	18,204
Profit on disposal of fixed assets	-	(29,319)
Patents and licences written off	3,523	3,375
	<u> </u>	<u> </u>
Directors' emoluments and other benefits etc	19,877	41,590
Compensation to director for loss of office	12,186	-
	<u> </u>	<u> </u>

THEMEDAWN LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2003****3. TAXATION****Analysis of the tax charge**

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

	30.11.03 £	30.11.02 £
Current tax:		
UK corporation tax	19,984	11,309
Deferred tax	(1,049)	7,879
Tax on profit on ordinary activities	<u>18,935</u>	<u>19,188</u>

4. INTANGIBLE FIXED ASSETS

	Other intangible assets £
COST	
At 1 December 2002	29,147
Disposals	(682)
At 30 November 2003	<u>28,465</u>
AMORTISATION	
At 1 December 2002	21,522
Charge for year	3,523
Eliminated on disposal	(307)
At 30 November 2003	<u>24,738</u>
NET BOOK VALUE	
At 30 November 2003	<u>3,727</u>
At 30 November 2002	<u>7,625</u>

THEMEDAWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2003

5. TANGIBLE FIXED ASSETS

	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 December 2002	54,880	40,889	30,523	29,507	155,799
Additions	-	-	22,934	4,000	26,934
Disposals	-	-	-	(375)	(375)
At 30 November 2003	54,880	40,889	53,457	33,132	182,358
DEPRECIATION					
At 1 December 2002	15,817	29,612	17,606	21,987	85,022
Charge for year	3,523	2,255	8,020	1,715	15,513
At 30 November 2003	19,340	31,867	25,626	23,702	100,535
NET BOOK VALUE					
At 30 November 2003	35,540	9,022	27,831	9,430	81,823
At 30 November 2002	39,063	11,277	12,917	7,520	70,777

Hire Purchase and Finance Lease agreements

Included within the net book value of £81,823 is £8,109 (2002: £11,058) relating to assets held under hire purchase and finance lease agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £2,949 (2002: £2,949).

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.11.03 £	30.11.02 £
Trade debtors	211,270	114,281
Other debtors	2,463	400
	<u>213,733</u>	<u>114,681</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.11.03 £	30.11.02 £
Bank loans and overdrafts	57,885	55,794
Hire purchase contracts	3,694	4,433
Taxation and social security	31,783	29,619
Other creditors	91,725	104,121
	<u>185,087</u>	<u>193,967</u>

THEMEDAWN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2003**

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

Amounts due under hire purchase agreements are secured against the assets to which they relate.

The bank loans and overdrafts are secured by way of:-

- I. A mortgage debenture over the company's leasehold property dated 7th November 1994.
- II. Personal guarantees amounting to £140,000 given by Mr P Scrancher.
- III. An unlimited guarantee given by Dawebay Limited.

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

	30.11.03	30.11.02
	£	£
Bank loans	19,186	23,939
Hire purchase contracts	-	3,694
	<u>19,186</u>	<u>27,633</u>

Amounts due under hire purchase agreements are secured against the assets to which they relate.

9. PROVISION FOR LIABILITIES AND CHARGES

	30.11.03	30.11.02
	£	£
Deferred tax	<u>6,830</u>	<u>7,879</u>
		Deferred tax
		£
Balance at 1 December 2002		7,879
Excess of taxation allowances over dep'n on fixed assets		<u>(1,049)</u>
Balance at 30 November 2003		<u>6,830</u>

10. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:				
Number:	Class:	Nominal value:	30.11.03	30.11.02
			£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

THEMEDAWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 NOVEMBER 2003

11. RESERVES

	Profit and loss account £
At 1 December 2002	130,948
Retained profit for the year	<u>67,693</u>
At 30 November 2003	<u><u>198,641</u></u>

12. RELATED PARTY DISCLOSURES

The directors consider Mr P Scrancher to be the company's ultimate controlling party. At 30th November 2003 the company owed Mr P Scrancher £20,266 (2002: £30,922).

During the year the company incurred a £3,000 franchise fee and acquired Equipment to the value of £4,000 from Dawebay Limited, a company of which Mr P Scrancher is a director and the sole shareholder. At 30th November 2003 the company owed £33,291 (2002: £42,000) to Dawebay Limited.

At 30th November 2003 the company was owed £136 by Premier Telecom Limited and £120 by Chartlake Limited. These are companies in which Mr P Scrancher is a director and shareholder.