

**ACCOUNTANTS REPORT TO THE SHAREHOLDERS**  
**ON THE UNAUDITED ACCOUNTS OF**  
**LANNIS PETA SPIRO LIMITED**  
**(4154950)**

We report on the Accounts for the period from 6 February 2001 to 30 June 2002 as set out on Pages two to nine.

**RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND REPORTING ACCOUNTANTS**

As described on Page two, the Company Director is responsible for the preparation of the Accounts and she considers that the Company is exempt from an Audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

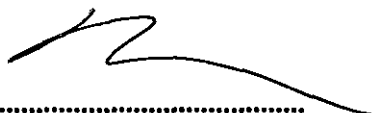
**BASIS OF OPINION**

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants and so our procedures consisted of comparing the Accounts with the accounting records kept by the Company, and making such limited enquiries of the Officers of the Company as we considered necessary for the purpose of this report. These procedures provide only the assurance expressed in our opinion.

**OPINION**

In our opinion:

1. The Accounts are in agreement with the accounting records kept by the Company under Section 221 of the Companies Act 1985.
2. Having regard only to, and on the basis of, the information contained in those accounting records.
  - i. The Accounts have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act and
  - ii. The Company satisfied the conditions for exemption from an audit of the Accounts for the year specified in Section 249A(4) of the Act and did not at any time within that year fall within any of the categories of Companies not entitled to the exemption specified in Section 249B(1).



.....  
**RICHMAN & COMPANY**  
**CHARTERED ACCOUNTANTS**  
**AND REGISTERED AUDITORS**

.....  
**293 KENTON LANE**  
**HARROW**  
**MIDDX**  
**HA3 8RR**  
.....



Dated:.....6 December 2002.....

# **LANNIS PETA SPIRO LIMITED**

## **REPORT OF THE DIRECTOR**

The Director presents her Report and Accounts for the period from 6 February 2001 to 30 June 2002.

### **RESULTS AND DIVIDENDS**

	£
Net Profit for the Period before Taxation	16,735
Taxation Chargeable for the period	1,644
<b><u>Net Profit for the period after Taxation</u></b>	<u>15,091</u> =====

The Director recommends the payment of a Dividend of £15,000 per Ordinary Share, amount to £15,000 for the period.

### **REVIEW OF THE BUSINESS**

The Company's principal activities during the period were interior designers.

In the opinion of the Director, the Company's results for the period were satisfactory and should continue to be so.

### **DIRECTOR'S RESPONSIBILITIES**

The Director is required by law to prepare Financial Statements for each financial period which give a true and fair view of the state of the affairs of the Company as at the end of the financial period and of the Profit or Loss and total recognised Gains or Losses of the Company for that period. The Director confirms that appropriate accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the Financial Statements for the period ended 30 June 2002. The Director also confirms that the Company will continue to trade for the foreseeable future.

The Director is responsible for maintaining adequate accounting records, for safeguarding the Assets of the company and for taking reasonable steps to prevent and detect fraud and other irregularities.

### **FIXED ASSETS**

Details of Fixed Assets and changes therein are shown in the Notes annexed to these Accounts.

### **DIRECTOR AND HER SHARE INTEREST**

The Director during the period and her interest in the Share Capital of the Company throughout the financial period was as follows:

#### **Ordinary Shares**

L P Spiro

One

**LANNIS PETA SPIRO LIMITED**

**REPORT OF THE DIRECTOR**

**(CONTINUED)**

**TAX STATUS**

The Company is a 'Close Company' as defined by the Income and Corporation Taxes Act 1988.

In preparing the above Report, the Director has taken advantage of special exemptions applicable to small Companies.

  
.....  
L P SPIRO - DIRECTOR

Dated: 6/10/02 .....

**LANNIS PETA SPIRO LIMITED**

**BALANCE SHEET AS AT 30 JUNE 2002**

	<b><u>COST</u></b>	<b><u>DEPRECIATION</u></b>	<b><u>NET BOOK</u></b>
	<b><u>£</u></b>	<b><u>£</u></b>	<b><u>VALUE</u></b>
			<b><u>£</u></b>
<b><u>TANGIBLE FIXED ASSETS</u></b> (Note 2)			
Fixtures, Fittings and Office Equipment	1,144	229	915
	<hr/>	<hr/>	
<b><u>CURRENT ASSETS</u></b>			
Debtors (Note 3)		905	
Cash at Bank		682	
		<hr/>	1,587
			<hr/>
			2,502
			<hr/>
<b><u>CREDITORS</u></b>			
Amounts Falling Due Within One Year (Note 4)			2,410
			<hr/>
<b><u>NET ASSETS</u></b>			92
			=====
 <b><u>FINANCED BY:</u></b>			
<b><u>SHARE CAPITAL</u></b>			
Authorised:			
100 Ordinary Shares of £1 Each		100	
		<hr/>	
Called-Up and Fully Paid:			
1 Ordinary Shares of £1 Each			1
			<hr/>
<b><u>RESERVES</u></b>			
Profit and Loss Account			91
			<hr/>
			92
			=====

**LANNIS PETA SPIRO LIMITED**

**BALANCE SHEET AS AT 30 JUNE 2002**

**(CONTINUED)**

**DIRECTORS' STATEMENTS ON UNAUDITED ACCOUNTS**

- A. The Company is entitled to exemption under Section 249A(1) of the Companies Act 1985 and no notice has been deposited under Section 249B(2).
- B. The Director acknowledges her responsibility for:
- a. Ensuring that the Company keeps proper accounting records which comply with Section 221, 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 and Loss for the financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirement of the Act relating to the Accounts, so far as applicable to the Company.
- C. The Director has taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in her opinion, the Company is entitled to these exemptions on the basis that it qualifies as a small Company under Section 247.

**Approved On Behalf of the Directors By:**

.....  
  
.....  
**L P SPIRO - DIRECTOR**

**Approved On:.....**

**LANNIS PETA SPIRO LIMITED**

**STATUTORY PROFIT AND LOSS ACCOUNT FOR THE PERIOD**

**FROM 6 FEBRUARY 2001 TO 30 JUNE 2002**

	£
Turnover - ( Note 1 (c) )	125,241
<b><u>DEDUCT:</u></b> Cost of Sales	96,510
	<hr/>
<b><u>GROSS PROFIT</u></b>	28,731
<b><u>DEDUCT:</u></b> Administrative Expenses - (Note 5)	11,693
	<hr/>
<b><u>OPERATING PROFIT</u></b>	17,038
<b><u>LESS:</u></b> Interest Payable and Similar Charges	303
	<hr/>
<b><u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u></b>	16,735
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<b><u>DEDUCT:</u></b> Corporation Tax on Ordinary Activities (Note 1 (d))	1,644
	<hr/>
	15,091
<b><u>DEDUCT: DIVIDENDS</u></b>	15,000
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<b><u>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION AND RETAINED PROFITS CARRIED FORWARD</u></b>	91
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**CONTINUING OPERATIONS/TOTAL RECOGNISED GAINS AND LOSSES**

There are no recognised Gains or Losses other than as disclosed above and there have been no discontinued activities or acquisitions in the current period.

**LANNIS PETA SPIRO LIMITED**  
**NOTES TO THE ACCOUNTS FOR THE PERIOD FROM**  
**6 FEBRUARY 2001 TO 30 JUNE 2002**

**I. ACCOUNTING POLICIES**

**a. ACCOUNTING CONVENTION**

These Accounts have been prepared under the historical cost convention.

**b. DEPRECIATION**

Depreciation of Tangible Fixed Assets is provided for on a straight line basis at rates estimated to write off cost over the period of their useful lives to the business.

The rate of depreciation currently in operation and the amount provided in the period was as follows:

	<u>Percentage</u>	<u>Total for Period</u> £
Fixtures, Fittings and Office Equipment	20%	229
		<u>229</u>

**c. TURNOVER**

Turnover represents amounts derived from the provision of services falling within the Company's ordinary activities.

**d. DEFERRED TAXATION**

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that in the opinion of the Directors, there is reasonable probability that the liability will not arise in the foreseeable future.

**e. CASH FLOW**

These Accounts do not have a Cash Flow Statement because the Company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard - 'Cash Flow Statements'

**LANNIS PETA SPIRO LIMITED**  
**NOTES TO THE ACCOUNTS FOR THE PERIOD FROM**  
**6 FEBRUARY 2001 TO 30 JUNE 2002**  
**(Continued)**

**2. TANGIBLE FIXED ASSETS**

	<u>Fixtures, Fittings &amp; Office Equipment</u> £
<b>Cost:</b>	
Acquired in the Period	1,144
<u>As At 30 June 2002</u>	<u>1,144</u>
<b>Depreciation:</b>	
Provided During the Period	229
<u>As At 30 June 2002</u>	<u>229</u>
<u>Net Book Value As At 30 June 2001</u>	<u>915</u>

**3. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	£
Sundry Debtor	616
Amounts owed by Director	289
	<u>905</u>

**4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	£
Accrued Expenses	766
Corporation Tax Due	1,644
	<u>2,410</u>



**LANNIS PETA SPIRO LIMITED**  
**NOTES TO THE ACCOUNTS FOR THE PERIOD FROM**  
**6 FEBRUARY 2001 TO 30 JUNE 2002**  
**(Continued)**

**5. OPERATING PROFIT**

	£
Stated after charging:	
Director's Remuneration	4,530
Accountancy Charges	750
Depreciation (Note 1(b))	229

**6. RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS' FUNDS**

	£
Profit for the financial period after Taxation	15,091
Dividend in respect of the Period	(15,000)
Share issued in the period	1
<b><u>Closing Shareholder's Funds at 30 June 2002</u></b>	<u>92</u> =====