

Mellow Designs Limited

**Director's report and financial
statements**

Registered number 4502179

For the period ended 31 August 2003



Contents

Directors' report	1
Profit and loss account	2
Balance sheet	3
Notes	4

Directors' report

The director presents her report and the financial statements for the period ended 31 August 2003.

Principal activities and business review

The principal activity of the company is property development.

Proposed dividend

The director recommends the payment of a dividend amounting to £10,000.

Director and director's interests

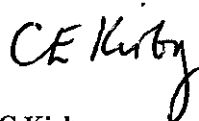
The director who held office during the period was as follows:

C Kirby (appointed 16 January 2003)

The interests of the director holding office on 31 August 2003 in the issued share capital of the company was as follows:

	Ordinary shares of £1 each Number 2003
C Kirby	1

On behalf of the board



C Kirby
Director

8 Cherry Hill Drive
Barnt Green
Birmingham
B45 8AA

20 May 2004

Profit and loss account
for the period ended 31 August 2003

	<i>Note</i>	Period from 2 August 2002 to 31 August 2003 £
Turnover	<i>1</i>	47,351
Cost of sales		(10,684)
		<hr/>
Gross profit		36,667
Administrative expenses		(6,640)
		<hr/>
Operating profit		30,027
Interest receivable		65
		<hr/>
Profit on ordinary activities before tax		30,092
Tax on profit on ordinary activities	<i>3</i>	(4,802)
		<hr/>
Profit on ordinary activities after tax		25,290
Dividends		(10,000)
		<hr/>
Profit for the financial period	<i>7</i>	15,290
		<hr/>

There were no recognised gains and losses in either the current period other than the results reported above.

Movements in reserves are set out in note 7.

Balance sheet
at 31 August 2003

	<i>Note</i>	Period ended 31 August 2003 £
Current assets		
Debtors	4	20,015
Cash at bank and in hand		78
		<hr/>
		20,093
Current liabilities		
Creditors		(4,802)
		<hr/>
Net assets		15,291
		<hr/>
Capital and reserves		
Called up share capital	6	1
Profit and loss account	7	15,290
		<hr/>
Equity shareholder's funds	8	15,291
		<hr/>

The director:

- (a) confirms that the company was entitled to exemption under section 249A (1) of the Companies Act 1985 from the requirement to have its accounts for the period ended 31 August 2003 audited;
- (b) confirms that the member has not required the company to obtain an audit of its accounts for that financial period in accordance with subsection (2) of section 249B (2) of that Act;
- (c) acknowledges her responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985; and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of section 226 of that Act, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

The financial statements were approved by the director on 20 May 2004 and were signed by:



C Kirby
Director

Notes*(forming part of the financial statements)***1 Accounting policies**

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

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

Turnover

Turnover represents invoiced sales for the provision of services, and excludes value added tax. The company operates one class of business and all activities are within the United Kingdom.

Taxation

The charge for taxation is based on the result for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

2 Employees and directors

The company had no employees during the period, other than the director.

3 Taxation***Taxation charge for the year***

	Period from 2 August 2002 to 31 August 2003 £
<i>UK corporation tax</i>	
Current tax on income for the period	4,802
	<hr/>
Total current tax charge	4,802
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Notes (continued)**3 Taxation (continued)****Factors affecting the tax charge for the current period**

The current tax charge for the period is lower than the standard rate of corporation tax in the UK (20%). The differences are explained below:

	Period from 2 August 2002 to 31 August 2002 £
<i>Current tax reconciliation</i>	
Profit on ordinary activities before tax	30,092
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Current tax at 20%	6,018
<i>Effects of:</i>	
Expenses not deductible for tax purposes	(25)
Small company relief	(1,191)
	<hr/>
Total current tax charge (see above)	4,802
	<hr/>

4 Debtors

	Period ended 31 August 2003 £
Director's current account	20,015
	<hr/>

5 Creditors: amounts falling due within one year

	Period ended 31 August 2003 £
Corporation tax	(4,802)
	<hr/>

6 Share capital

	Period ended 31 August 2003 £
<i>Authorised:</i>	
1 ordinary share of £1 each	1
	<hr/>
<i>Allotted, called up and fully paid:</i>	
1 ordinary share of £1 each	1
	<hr/>

Notes *(continued)***7 Reserves**

	Profit and loss account £
At beginning of period	-
Retained profit for the period	15,290
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At end of period	15,290
	<hr/> <hr/>

8 Reconciliation of movements in shareholders funds

	Period ended 31 August 2003 £
Profit for the period	15,290
Shares issued	1
	<hr/>
Movement in shareholders' funds	15,291
Opening shareholders' funds	-
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Closing shareholders' funds	15,291
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