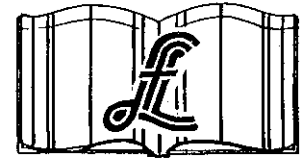


DAVID F. LEE
ASSOCIATES
LIMITED



Accountants & Business
Development Advisors

GUILD DECORATION LTD

FINANCIAL STATEMENTS FOR THE 7 MONTHS ENDED

31 MARCH 2005

Company Registration No. 4506257



INVESTOR IN PEOPLE

David F. Lee F.C.C.A.
Director
Diamond House
Diamond Court
Bakewell
Derbyshire DE45 1EW
Tel: 01629 815120
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Company Registration No. 4864538

GUILD DECORATION LTD
COMPANY INFORMATION

Director	Mr D Bradbury
Secretary	Mrs D Bradbury
Company Number	4506257
Registered Office	Highfields Pursglove Drive Tideswell Derbyshire SK17 8PA
Reporting Accountants	David F Lee Associates Limited Diamond House Diamond Court BAKEWELL Derbyshire DE45 1EW

GUILD DECORATION LTD

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GUILD DECORATION LTD

DIRECTOR'S REPORT FOR THE 7 MONTHS ENDED 31 MARCH 2005

The director has pleasure in presenting his annual report together with the financial statements for the seven months ended 31 March 2005

DIRECTORS RESPONSIBILITIES

Company law requires the director to prepare financial statements for each financial year which give a true and fair view. In preparing those financial statements, the director is required to:-

- Select suitable accounting policies and then apply them consistently, making judgements and estimates that are prudent and reasonable;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for maintaining 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. He is 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.

DIRECTOR'S SHAREHOLDINGS

The director who served during the year and his beneficial interests in the company's issued ordinary share capital were:

	Number of Shares
D Bradbury	1

PROFIT, DIVIDENDS AND APPROPRIATIONS

The results for the period are shown on the profit & loss account on page 4.

A dividend of £12,000 per share is proposed and the remaining balance for the period transferred to reserves.


PRINCIPAL ACTIVITY

The company's principal activity is Interior and Exterior Decorating.

CLOSE COMPANY STATUS

The company is a close company within the provisions of the Income and Corporation Taxes Act, 1985.

Mrs D Bradbury


Company's Secretary

GUILD DECORATION LTD**ACCOUNTANTS' REPORT TO THE DIRECTORS OF
GUILD DECORATION LTD**

We report on the financial statements for the seven months ended 31 March 2005 set out on pages 6 to 11.

Respective Responsibilities Of Directors And Reporting Accountants

As described on page 4 the company's directors are responsible for the preparation of the financial statements and they consider 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 financial statements 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 purposes of the report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the financial statements are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- (b) having regard only to and on the basis of, the information contained in those accounting records:
 - (i) the financial statements 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 financial statements 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)

DAVID F LEE ASSOCIATES
Chartered Certified Accountants
Diamond House
Diamond Court
Bakewell
Derbyshire
DE45 1EW

GUILD DECORATION LTD

PROFIT & LOSS ACCOUNT FOR THE SEVEN MONTHS ENDED
31 MARCH 2005

	£	2004
SALES	61,563	99,783
Cost of Sales	<u>37,237</u>	<u>58,023</u>
GROSS PROFIT	24,326	41,760
Administration Costs	<u>8,919</u>	<u>12,561</u>
PROFIT BEFORE INTEREST	15,407	29,199
Interest Paid	(27)	(83)
Interest Received	<u>41</u>	<u>25</u>
NET BEFORE TAX	15,421	29,141
Corporation tax	<u>2,794</u>	<u>6,236</u>
NET PROFIT AFTER TAX	12,627	22,905
DIVIDEND PAID	<u>12,000</u>	<u>24,778</u>
SURPLUS FOR PERIOD	627	(1,873)
SURPLUS BROUGHT FORWARD	<u>(190)</u>	<u>1,683</u>
SURPLUS CARRIED FORWARD IN RESERVES	<u>£ 437</u>	<u>£ (190)</u>

The notes on pages 8 to 11 form part of these financial statements

GUILD DECORATION LTD

BALANCE SHEET AS AT
31 MARCH 2005

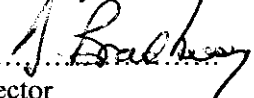
	Note	£	2004
FIXED ASSETS			
	1	1,648	1,930
CURRENT ASSETS			
Trade Debtors		19,844	8,424
Cash at Bank		<u>40</u>	<u>2,031</u>
		19,884	10,455
CURRENT LIABILITIES			
Creditors & Accruals	2	<u>21,094</u>	<u>12,574</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>(1,210)</u>	<u>(2,119)</u>
TOTAL FUNDS DEFICIT		<u>£ 438</u>	<u>£ (189)</u>
FINANCED BY			
SHAREHOLDERS FUNDS			
Share Capital	3	1	1
Profit & Loss Account	4	<u>437</u>	<u>(190)</u>
TOTAL SHAREHOLDERS FUNDS		<u>£ 438</u>	<u>£ (189)</u>

The notes on pages 8 to 11 form part of these financial statements

The director confirms:

- a) the company is entitled to exemption under s249A(1) Co. Act 1985 from the requirement to have its accounts audited
- b) no notice has been deposited under s249B(2) by holders of 10% or more of the company's shares
- c) and acknowledge their responsibilities for
 - i) ensuring that the company keeps accounting records which comply with s221 of the act
 - ii) preparing accounts which give a true and fair view of affairs of the company as at the year end date above and of its profit or loss for the year in accordance with the requirements of s226 of the Act and which otherwise comply with the requirements of the Act, so far as applicable to the company.

D Bradbury


.....
Director

GUILD DECORATION LTD
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE SEVEN MONTHS ENDED 31 MARCH 2005

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF ACCOUNTS

The financial statements are prepared under the historical cost convention and incorporate the results of the principal activity which is described in the director's report and which is continuing.

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:

Motor vehicles	25% reducing balance basis
Equipment	25% reducing balance basis

1.4 DEFERRED TAXATION

Provision is made for taxation deferred as a result on 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 director, there is a reasonable probability that a liability or asset will crystallise in the near future.

1.5 TURNOVER

During the year the company exported NIL% of its turnover (2001: NIL%) to other member countries of the European Community.

1.6 OPERATING PROFIT/(LOSS)

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

	£	2004
Depreciation of tangible fixed assets	<u>282</u>	<u>644</u>

1.7 TAXATION

Corporation Tax at 19%	<u>£ 2,794</u>	<u>£ 6,236</u>
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GUILD DECORATION LTD
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE SEVEN MONTHS ENDED 31 MARCH 2005

1.8 TANGIBLE FIXED ASSETS

	Motor Vehicles	Equipment	Total
COST			
At 1 st September 2004	2,848	26	2,874
Purchases	-	-	-
At 31 March 2005	<u>2,848</u>	<u>26</u>	<u>2,874</u>
DEPRECIATION			
At 1 st September 2004	935	9	944
Charge for the year	279	3	282
At 31 March 2005	<u>1214</u>	<u>12</u>	<u>1226</u>
NET BOOK VALUE			
At 31 March 2005	<u>£1634</u>	<u>£14</u>	<u>£1,648</u>
At 31 August 2004	<u>£1913</u>	<u>£17</u>	<u>£1,930</u>

2. CREDITORS

AMOUNTS FALLING DUE WITHIN ONE YEAR

	£	2004
Bank Overdraft	4,218	-
Trade Creditors	750	595
Taxation and Social Security	5,527	5,259
Accruals	2,885	1,800
Corporation Tax	<u>7,714</u>	<u>4,920</u>
	<u>£21,094</u>	<u>£12,574</u>

3. CALLED UP SHARE CAPITAL

	£	2004
AUTHORISED		
Ordinary shares of £1 each	1,000	1000
ALLOTTED		
Ordinary shares of £1 each, fully paid	1	1

4. PROFIT & LOSS ACCOUNT

	£	2004
Surplus for the period	627	(1,873)
Shareholders funds at 1 September 2004	<u>(189)</u>	<u>1,684</u>
Shareholders funds at 31 March 2005	<u>£ 438</u>	<u>£(189)</u>

5. CONTINGENT LIABILITIES

The company had no contingent liabilities at 31 March 2005

6. CAPITAL COMMITMENTS

At the year end the company had no capital commitments