

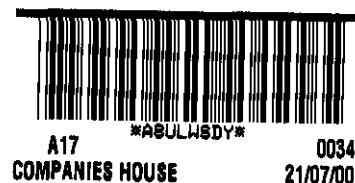
WEDDING LIST SERVICES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 1999

Company Registration Number 2519495

HEXTALL MEAKIN

Chartered Accountants & Registered Auditors

Argon House
Argon Mews
Fulham Broadway
London
SW6 1BJ



WEDDING LIST SERVICES LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1999

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WEDDING LIST SERVICES LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 1999

The directors present their report and the financial statements of the company for the year ended 31 December 1999.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year continued to be that of supplying wedding list services.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

| | Ordinary Shares of £1 each | |
|------------------|----------------------------|-------------------|
| | At 31 December 1999 | At 1 January 1999 |
| Colin Dachtler | 50 | 40 |
| Verity Dachtler | 50 | 40 |
| Catherine Cooper | - | - |
| | <hr/> | <hr/> |

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on pages 6 to 7, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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

A resolution to re-appoint Hextall Meakin as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

WEDDING LIST SERVICES LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 1999

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
44 Gowrie Road
Clapham
London
SW11 5NR

Signed by order of the directors

A handwritten signature in black ink, appearing to read 'V Dachtler', is written over a large, stylized, hand-drawn 'V' shape.

VERITY DACHTLER
Company Secretary

Approved by the directors on 11. July 2000

Hextall Meakin

Chartered Accountants

Argon House, Argon Mews, Fulham Broadway, London SW6 1BJ

Telephone: 020 7381 2022 Fax: 020 7385 1087

E-mail: admin@hextallmeakin.co.uk

WEDDING LIST SERVICES LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 31 DECEMBER 1999

We have audited the financial statements on pages 4 to 10 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on pages 6 to 7.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described on page 1, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with 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 1999 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



Hextall Meakin
Chartered Accountants
& Registered Auditors

Dated: 12th July, 2000

WEDDING LIST SERVICES LIMITED**PROFIT AND LOSS ACCOUNT****YEAR ENDED 31 DECEMBER 1999**

| | Note | 1999 £ | 1998 £ |
|--|----------|-----------|-----------|
| TURNOVER | | 1,428,761 | 1,019,940 |
| Cost of sales | | (766,450) | (585,919) |
| GROSS PROFIT | | 662,311 | 434,021 |
| Administrative expenses | | (659,196) | (402,384) |
| OPERATING PROFIT | 2 | 3,115 | 31,637 |
| Interest receivable | | 2,275 | - |
| Interest payable | | (1,359) | (2,329) |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 4,031 | 29,308 |
| Tax on profit on ordinary activities | | (2,410) | - |
| RETAINED PROFIT FOR THE FINANCIAL YEAR | | 1,621 | 29,308 |
| Balance brought forward | | (14,641) | (43,949) |
| Balance carried forward | | (13,020) | (14,641) |

The notes on pages 6 to 10 form part of these financial statements.

WEDDING LIST SERVICES LIMITED

BALANCE SHEET

31 DECEMBER 1999

| | Note | 1999 £ | 1998 £ |
|--|------|------------------|------------------|
| FIXED ASSETS | | | |
| Tangible assets | 4 | 41,180 | 23,942 |
| CURRENT ASSETS | | | |
| Stocks | | 42,104 | 33,036 |
| Debtors | 5 | 93,390 | 81,555 |
| Cash at bank and in hand | | 75,913 | 29,908 |
| | | <u>211,407</u> | <u>144,499</u> |
| CREDITORS: Amounts falling due within one year | 6 | <u>(243,861)</u> | <u>(158,206)</u> |
| NET CURRENT LIABILITIES | | <u>(32,454)</u> | <u>(13,707)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>8,726</u> | <u>10,235</u> |
| CREDITORS: Amounts falling due after more than one year | 7 | <u>(21,646)</u> | <u>(24,776)</u> |
| | | <u>(12,920)</u> | <u>(14,541)</u> |
| CAPITAL AND RESERVES | | | |
| Called-up equity share capital | 11 | 100 | 100 |
| Profit and loss account | | (13,020) | (14,641) |
| DEFICIENCY | | <u>(12,920)</u> | <u>(14,541)</u> |

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved by the directors on the 11 July 2000, and are signed on their behalf by:

COLIN DACHTLER



The notes on pages 6 to 10 form part of these financial statements.

WEDDING LIST SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1999

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation 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:

| | |
|-----------------------|---------------|
| Property improvements | - 50% on cost |
| Motor Vehicle | - 25% on cost |
| Office Equipment | - 25% on cost |

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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.

Pension costs

The company does not run its own pension scheme but makes contributions to certain directors personal pension plans as part of their remuneration package. Contributions are charged to the profit and loss account when paid.

WEDDING LIST SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1999

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

2. OPERATING PROFIT

Operating profit is stated after charging:

| | 1999 | 1998 |
|----------------|-------------------|-------------------|
| | £ | £ |
| Depreciation | 20,246 | 13,047 |
| Auditors' fees | 3,000 | 3,000 |
| | <u> </u> | <u> </u> |

3. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

| | 1999 | 1998 |
|--|----------------|---------------|
| | £ | £ |
| Aggregate emoluments | 101,850 | 86,725 |
| Value of pension contributions to money purchase schemes | 8,725 | 5,167 |
| | <u>110,575</u> | <u>91,892</u> |

The number of directors who are accruing benefits under pension schemes were as follows:

| | 1999 | 1998 |
|------------------------|-------------|----------|
| | No. | No. |
| Money purchase schemes | <u>1</u> | <u>1</u> |

WEDDING LIST SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1999

4. TANGIBLE FIXED ASSETS

| | Property Improvements | Motor Vehicles | Equipment | Total |
|----------------------------|----------------------------------|---------------------------|------------------|----------------|
| | £ | £ | £ | £ |
| COST | | | | |
| At 1 January 1999 | 8,674 | 8,325 | 50,031 | 67,030 |
| Additions | 10,747 | - | 26,737 | 37,484 |
| At 31 December 1999 | <u>19,421</u> | <u>8,325</u> | <u>76,768</u> | <u>104,514</u> |
| DEPRECIATION | | | | |
| At 1 January 1999 | 8,674 | 4,155 | 30,259 | 43,088 |
| Charge for the year | 5,373 | 2,076 | 12,797 | 20,246 |
| At 31 December 1999 | <u>14,047</u> | <u>6,231</u> | <u>43,056</u> | <u>63,334</u> |
| NET BOOK VALUE | | | | |
| At 31 December 1999 | <u>5,374</u> | <u>2,094</u> | <u>33,712</u> | <u>41,180</u> |
| At 31 December 1998 | <u>-</u> | <u>4,170</u> | <u>19,772</u> | <u>23,942</u> |

Hire purchase agreements

Included within the net book value of £41,180 is £2,094 (1998 - £4,170) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £2,076 (1998 - £2,076).

5. DEBTORS

| | 1999 | 1998 |
|---------------|---------------|---------------|
| | £ | £ |
| Trade debtors | 68,588 | 67,917 |
| Other debtors | 12,292 | 8,485 |
| Prepayments | 12,510 | 5,153 |
| | <u>93,390</u> | <u>81,555</u> |

WEDDING LIST SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1999

6. CREDITORS: Amounts falling due within one year

| | 1999 | | 1998 | |
|----------------------------|--------|----------------|--------|----------------|
| | £ | £ | £ | £ |
| Bank loans and overdrafts | | 932 | | 10,489 |
| Trade creditors | | 188,921 | | 123,238 |
| Other creditors including: | | | | |
| Corporation tax | 2,410 | | - | |
| PAYE and social security | 10,588 | | 5,279 | |
| Hire purchase agreements | 2,196 | | 2,196 | |
| Directors current accounts | 6,904 | | 74 | |
| Other creditors | - | | 13,660 | |
| | | <u>22,098</u> | | <u>21,209</u> |
| Accruals | | 31,910 | | 3,270 |
| | | <u>243,861</u> | | <u>158,206</u> |

The bank loan is secured.

7. CREDITORS: Amounts falling due after more than one year

| | 1999 | | 1998 | |
|---------------------------|--------|---------------|--------|---------------|
| | £ | £ | £ | £ |
| Bank loans and overdrafts | | - | | 935 |
| Other creditors comprise: | | | | |
| Hire purchase agreements | 1,646 | | 3,841 | |
| Directors' loan accounts | 20,000 | | 20,000 | |
| | | <u>21,646</u> | | <u>23,841</u> |
| | | <u>21,646</u> | | <u>24,776</u> |

The director's loan is repayable only when the company is in a position to afford the repayments.

8. COMMITMENTS UNDER OPERATING LEASES

At 31 December 1999 the company had aggregate annual commitments under non-cancellable operating leases as set out below.

| | 1999 | 1998 |
|--------------------------------|---------------|----------|
| | £ | £ |
| Operating leases which expire: | | |
| After more than 5 years | <u>32,000</u> | <u>-</u> |

WEDDING LIST SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1999

9. TRANSACTIONS WITH THE DIRECTORS

At 31 December 1999, the balance on a long term loan to the company from Mrs V Dachtler was £20,000 (1998 - £20,000). This loan is interest free and will not be repayable until the company is in a position to afford the repayments.

During the year, Mr C Dachtler made payments on behalf of the company amounting to £6,830. This balance was due to Mr C Dachtler at the year end.

In October 1999, Mr and Mrs Dachtler purchased the freehold building 127 Queenstown Road, the company's showroom. They are renting out the property to the company at a commercial rate and received rental income during the period of purchase until the year end of £1,666. At the year end the balance outstanding was £nil.

10. RELATED PARTY TRANSACTIONS

The company was under the control of C Dachtler and V Dachtler, directors of the company, throughout the current and previous year. Each owns 50% (1998 - 40%) of the issued ordinary share capital of the company.

11. SHARE CAPITAL

Authorised share capital:

| | 1999 | 1998 |
|--------------------------------|---------------|---------------|
| | £ | £ |
| 100 Ordinary shares of £1 each | 100 | 100 |
| | <u> </u> | <u> </u> |

Allotted, called up and fully paid:

| | 1999 | 1998 |
|------------------------|---------------|---------------|
| | £ | £ |
| Ordinary share capital | 100 | 100 |
| | <u> </u> | <u> </u> |