

Company Registration No. 3007897

AESTHETIC ART SURGERY LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1997

11326-pe-1997

Registered Office
Suite 205, Moghul House,
57 Grosvenor St.,
London.



AESTHETIC ART SURGERY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1997

The directors present their report and financial statements for the year ended 31 December 1997.

Principal Activities and Review of the Business

The principal activity of the company is the provision of administrative services.

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

Results and Dividends

The results for the year are set out on page 3.

It is proposed that the retained loss of £ 5,507 is transferred to reserves.

Directors

The following directors have held office since the beginning of the year

A.J Weir	(Resigned 1 July 1998)
C.G.M De Carteret	(Resigned 20 August 1997)
M.W. Denton	(Resigned 20 August 1997)
L R Taylor	(Appointed 1 June 1998)
A M Taylor	(Appointed 1 June 1998)
F M Forrai	(Appointed 20 August 1997 and resigned 1 June 1998)
J Butterfield	(Appointed 20 August 1997 and resigned 1 June 1998)

The Directors had no interest in the issued share capital of the company.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Matthew Edwards & Co. be reappointed as auditors of the company will be put to the Annual General Meeting.

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 and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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. They 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.

By order of the Board


L.R Taylor

Date: **24 AUG 1998**

MATTHEW EDWARDS & CO
CHARTERED ACCOUNTANTS

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AESTHETIC ART SURGERY LIMITED

**AUDITORS' REPORT
TO THE SHAREHOLDERS OF AESTHETIC ART SURGERY LIMITED**

We have audited the financial statements on pages 3 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of 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 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Matthew Edwards & Co

Matthew Edwards & Co.

24.8.98

Chartered Accountants
Registered Auditor

Clinch's House, Lord Street
Douglas
Isle Of Man
IM99 1RZ

AESTHETIC ART SURGERY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1997

	Notes	1997 £	1996 £
Turnover	2	27,033	30,525
Administrative expenses		(6,029)	(3,025)
Operating profit	3	21,004	27,500
Other interest receivable and similar income	4	-	520
Interest payable and similar charges	5	(2,284)	(2,136)
Profit on ordinary activities before taxation		18,720	25,884
Tax on profit on ordinary activities	6	(4,547)	(8,542)
Profit on ordinary activities after taxation		14,173	17,342
Dividends	7	(19,680)	-
Retained (loss)/profit for the year	12	(5,507)	17,342

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

AESTHETIC ART SURGERY LIMITED

BALANCE SHEET AS AT 31 DECEMBER 1997

	Notes	1997 £	£	1996 £	£
Fixed Assets					
Investments	8		5		5
Current Assets					
Debtors	9	31,339		19,230	
Cash at bank and in hand		2,170		30,429	
		<u>33,509</u>		<u>49,659</u>	
Creditors: amounts falling due within one year	10	<u>(6,302)</u>		<u>(16,945)</u>	
Net Current Assets			27,207		32,714
Total Assets Less Current Liabilities			<u>27,212</u>		<u>32,719</u>
Capital and Reserves					
Called up share capital	11		1,000		1,000
Profit and loss account	12		26,212		31,719
Shareholders' Funds - equity interests	13		<u>27,212</u>		<u>32,719</u>

The financial statements were approved by the Board on **24 AUG 1998**



L R Taylor
Director

AESTHETIC ART SURGERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1997

1 Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The accounts have been prepared in accordance with applicable accounting standards.

1.3 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.4 Foreign currency translation

The company's accounting records are maintained in Pounds Sterling.

Transactions in other currencies are converted at the rate ruling at the date of the transaction. Current assets and liabilities are converted at the rate of exchange ruling at the balance sheet date. Any material gains or losses resulting from the conversion are taken to the profit and loss account.

1.5 Cash Flow

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

2 Turnover

Turnover represents the company's share of income derived from its principal activity.

3 Operating Profit

	1997	1996
	£	£
Operating profit is stated after charging:		
Auditors' remuneration	1,563	550

4 Other Interest Receivable and Similar Income

	1997	1996
	£	£
Bank interest	-	520

5 Interest Payable and Similar Charges

	1997	1996
	£	£
Loss on exchange	2,284	2,136

6 Taxation

	1997	1996
	£	£
U.K. Current year taxation		
U.K. Corporation tax at 22% (1996 - 33%)	4,547	8,542

AESTHETIC ART SURGERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1997**

7 Dividends	1997	1996
	£	£
Ordinary interim paid	19,680	-

8 Fixed Asset Investments

	Unlisted investments
Cost	£
At 1 January 1997 & at 31 December 1997	5
At 31 December 1996	5

The investment represents a 5% interest in the Simonside Medical Group and is stated at cost.

9 Debtors	1997	1996
	£	£
Trade debtors	30,966	18,451
ACT recoverable	373	-
Prepayments and accrued income	-	779
	<u>31,339</u>	<u>19,230</u>

10 Creditors: amounts falling due within one year

	1997	1996
	£	£
Corporation tax	-	13,423
Shareholders loan	1,424	661
Accruals and deferred income	4,878	2,861
	<u>6,302</u>	<u>16,945</u>

11 Share Capital

The authorised share capital of the Company comprises 10000 Ordinary shares £ 1.00 each of which 1000 have been issued and are fully paid up (1996 - 1000).

AESTHETIC ART SURGERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1997**

12 Statement of Movements on Profit and Loss Account

	Profit and loss account £
Balance at 1 January 1997	31,719
Retained loss for the year	(5,507)
Balance at 31 December 1997	<u>26,212</u>

13 Reconciliation of Movements in Shareholders' Funds

	1997 £	1996 £
Profit for the financial year	14,173	17,342
Dividends	(19,680)	-
Net (depletion in)/addition to shareholders' funds	<u>(5,507)</u>	<u>17,342</u>
Opening shareholders' funds	32,719	15,377
Closing shareholders' funds	<u>27,212</u>	<u>32,719</u>

14 Contingent liabilities

There were no contingent liabilities as at the balance sheet date.

15 Capital Commitments

There were no major capital commitments as at the balance sheet date.

16 Employees

Number of employees

There were no employees during the year apart from the directors

17 Ultimate Controlling Party and Related Party Transactions

The directors are not aware of the identity of the ultimate controlling party. The directors are also unaware of any transactions during the period under review or any outstanding creditors or debtors at the balance sheet date with any related parties.