

**REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29TH FEBRUARY 2004
FOR
DELUCA MEDICAL LIMITED**



DELUCA MEDICAL LIMITED

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FOR THE YEAR ENDED 29TH FEBRUARY 2004**

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DELUCA MEDICAL LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 29TH FEBRUARY 2004

DIRECTORS:	Mr R J Lucas Mr D V Badami Mr T R S Delange Mr D W Brown
SECRETARY:	Mr R J Lucas
REGISTERED OFFICE:	7 Daltongate Business Centre Daltongate Ulverston Cumbria LA12 7AJ
REGISTERED NUMBER:	4372147 (England and Wales)
ACCOUNTANTS:	J F Hornby & Co Daltongate Business Centre Daltongate Ulverston Cumbria LA12 7AJ
BANKERS:	HSBC Bank plc PO Box 360 100 King Street Manchester M60 2HD

DELUCA MEDICAL LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 29TH FEBRUARY 2004**

The directors present their report with the financial statements of the company for the year ended 29th February 2004.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the supply of medical services to NHS hospitals.

DIRECTORS

The directors during the year under review were:

Mr R J Lucas	
Mr D V Badami	
Mr T R S Delange	
Mr J L Durousset	Resigned 5.11.04
Dr Y Perraud	Resigned 5.11.04
Mr D W Brown	

The beneficial interests of the directors holding office on 29th February 2004 in the issued share capital of the company were as follows:

	29.2.04	1.3.03
Ordinary £1 shares		
Mr R J Lucas	1	1
Mr D V Badami	-	-
Mr T R S Delange	-	-
Mr J L Durousset	-	-
Dr Y Perraud	-	-
Mr D W Brown	33	-

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

ON BEHALF OF THE BOARD:



Mr R J Lucas - Director

18th November 2004

DELUCA MEDICAL LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 29TH FEBRUARY 2004**

		Year Ended 29.2.04	Period 12.2.02 to 28.2.03
	Notes	£	£
TURNOVER		917,170	479,242
Cost of sales		451,037	402,276
GROSS PROFIT		466,133	76,966
Administrative expenses		400,351	130,399
OPERATING PROFIT/(LOSS)	2	65,782	(53,433)
Interest receivable and similar income		76	-
		65,858	(53,433)
Interest payable and similar charges		-	1,650
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		65,858	(55,083)
Tax on profit/(loss) on ordinary activities	3	1,159	-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		64,699	(55,083)
Deficit brought forward		(55,083)	-
RETAINED PROFIT/(DEFICIT) CARRIED FORWARD		£9,616	£(55,083)

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous period.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit for the current year and the loss for the previous period.

DELUCA MEDICAL LIMITED

**BALANCE SHEET
29TH FEBRUARY 2004**

		29.2.04		28.2.03	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	4		999		-
CURRENT ASSETS:					
Stocks	5	51,838		186,926	
Debtors	6	-		207,027	
Cash at bank and in hand		316,277		159,446	
		<u>368,115</u>		<u>553,399</u>	
CREDITORS: Amounts falling due within one year	7	<u>359,398</u>		<u>608,481</u>	
NET CURRENT ASSETS/(LIABILITIES):			<u>8,717</u>		<u>(55,082)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>£9,716</u>		<u>£(55,082)</u>
CAPITAL AND RESERVES:					
Called up share capital	8		100		1
Profit and loss account			<u>9,616</u>		<u>(55,083)</u>
SHAREHOLDERS' FUNDS:	12		<u>£9,716</u>		<u>£(55,082)</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 29th February 2004.

The members have not required the company to obtain an audit of its financial statements for the year ended 29th February 2004 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:



Mr R J Lucas - Director

Approved by the Board on 18th November 2004

The notes form part of these financial statements

DELUCA MEDICAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH FEBRUARY 2004

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

Stocks

Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

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 transaction. Exchange differences are taken into account in arriving at the operating result.

2. OPERATING PROFIT/(LOSS)

The operating profit (2003 - operating loss) is stated after charging:

	Year Ended 29.2.04 £	Period 12.2.02 to 28.2.03 £
Depreciation - owned assets	39 =	- =
Directors' emoluments	- =	- =

3. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	Year Ended 29.2.04 £	Period 12.2.02 to 28.2.03 £
Current tax:		
UK corporation tax	1,159 =	- =
Tax on profit/(loss) on ordinary activities	1,159 =	- =

DELUCA MEDICAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29TH FEBRUARY 2004**

4. TANGIBLE FIXED ASSETS

	Fixtures and fittings	Computer equipment	Totals
	£	£	£
COST:			
Additions	170	868	1,038
At 29th February 2004	170	868	1,038
DEPRECIATION:			
Charge for year	15	24	39
At 29th February 2004	15	24	39
NET BOOK VALUE:			
At 29th February 2004	155	844	999

5. STOCKS

	29.2.04	28.2.03
	£	£
Work in progress	51,838	186,926

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

	29.2.04	28.2.03
	£	£
Trade debtors	-	200,670
Prepayments	-	6,357
	-	207,027

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

	29.2.04	28.2.03
	£	£
Trade creditors	176,463	357,127
Income received in advance	21,865	121,159
V.A.T.	34,422	66,147
Corporation tax	1,159	-
Accrued expenses	125,489	64,048
	359,398	608,481

DELUCA MEDICAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH FEBRUARY 2004

8. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	29.2.04	28.2.03
		£	£	£
100	Ordinary	£1	100	100
			<u> </u>	<u> </u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	29.2.04	28.2.03
		£	£	£
1	Ordinary	£1	100	1
			<u> </u>	<u> </u>

9. ULTIMATE PARENT COMPANY

Deluca Limited, the holder of 66% of the companies issued share capital is regarded by the directors as the ultimate parent company.

10. CONTINGENT LIABILITIES

No provision has been made for any potential claims which have not been notified to the company.

11. TRANSACTIONS WITH DIRECTORS

During the financial year the company paid consultancy fees totalling:

(a) £31,651.56 to Northern Briefing Unit, a partnership under the control of Mr R J Lucas and his wife and,

(b) £4,000 to Mr D W Brown.

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	29.2.04	28.2.03
	£	£
Profit/(Loss) for the financial year	64,699	(55,083)
Share capital	99	1
	<u> </u>	<u> </u>
Net addition/(reduction) to shareholders' funds	64,798	(55,082)
Opening shareholders' funds	(55,082)	-
	<u> </u>	<u> </u>
Closing shareholders' funds	9,716	(55,082)
	<u> </u>	<u> </u>
Equity interests	9,716	(55,082)
	<u> </u>	<u> </u>

**COMPANIES ACTS 1985 & 1989
PRIVATE COMPANY LIMITED BY SHARES**

**MEMORANDUM and
ARTICLES OF ASSOCIATION**

of

Linens Fine Limited

Incorporated in England & Wales on 1 July 2003

Registration Number: 4816908

Name changed by Special Resolution on 11 July 2003