

The Schengen Office Limited

FINANCIAL STATEMENTS

for the year ended

30 June 2006



Company registration No 4278641

The Schengen Office Limited
Officers and Professional Advisors

Director
P W Kerr

Secretary
D Fitton

Registered Office
Rooms 5A and 6
Level 2
9-15 Neal Street
London WC2H 9PU

Bankers

HSBC
275 Greenwich High Road
Greenwich
London SE10 8NF

The Schengen Office Limited

Director's Report

The director submits his report and unaudited financial statements of The Schengen Office Limited for the year ended 30 June 2006

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was to assist clients with their applications for tourist and business visas to countries outside of the UK, including acting on their behalf at the relevant embassies

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 30 June 2006 | At 30 June 2005 |
| P W Kerr | 1 | 1 |

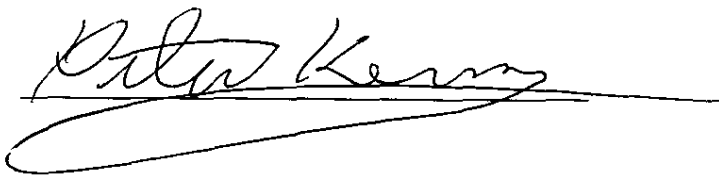
P W Kerr was appointed as sole director on 16 May 2003

SMALL COMPANY PROVISIONS

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

By order of the board

P W Kerr
Director



The Schengen Office Limited
Profit and Loss Account
for the year ended 30 June 2006

| | Notes | 2006 £ | 2005 £ |
|--|----------|---------------|----------------|
| TURNOVER | 1 | | |
| Gross Profit | | 152,601 | 142,224 |
| Administrative Expenses | | 127,019 | 149,393 |
| OPERATING Profit/(LOSS) | | 25,582 | (7,169) |
| Interest Payable | | 0 | 0 |
| Profit / (Loss) on Ordinary Activities Before Taxation | | 25,475 | (7,169) |
| Less Corporations tax | | <u>2,348</u> | <u>474</u> |
| Net Profit After Tax | | 23,126 | |
| Less Dividend | | <u>23,000</u> | |
| Retained Profit for the Financial Year | | 126 | (7,643) |

The Schengen Office Limited
Balance Sheet
30 June 2006

| | Notes | 2006 £ | 2005 £ |
|---------------------------------------|-------|-----------|-----------|
| CURRENT ASSETS | | | |
| Cash | | 18,591 | 14,247 |
| Debtors | 2 | 0 | 1,894 |
| Fixed Assets | | | |
| Fixtures and Fittings | | 650 | 650 |
| Total Assets | | 19,241 | 16,791 |
| Creditors | | | |
| Inland Revenue – Corporations Tax | | 2,348 | 474 |
| Directors Loans | | 450 | 0 |
| Total Assets Less Current Liabilities | | 16,443 | 16,317 |
| Capital and Reserves | | | |
| Called up equity and share capital | | 1 | 1 |
| Profit and loss account | | 16,443 | 16,317 |

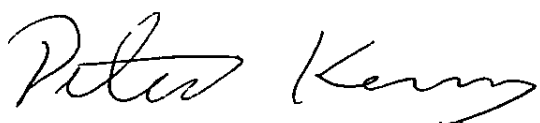
The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (The Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members requested an audit pursuant to section 249B(2) of the Act

The director acknowledges his responsibility for

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the act relating to financial statements, so far as applicable to the company

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 June 2002)

These financial statements were approved and signed by the director on 23 April 2007


P W Kerr

The Schengen Office Limited

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 June 2002)

The accounts have been prepared on a going concern basis

TURNOVER

The turnover shown in the profit and loss account represents service fees and postage invoiced during the year

Fixed Assets

All fixed assets are initially recorded at estimated current value

Operating Lease Agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charge against profits on a straight line basis over the period of the lease

The Schengen Office Limited
Notes to the Financial statements
for the year ended 30 June 2006

- 1 Profit and Loss account
- 2 Loan to Director repayable
- 3 Share Capital

| | 2006 | 2005 |
|---|---------|---------|
| | £ | £ |
| Authorised 100,000 Ordinary shares of £1 each | 100,000 | 100,000 |
| Allotted, called up and fully paid 1 Ordinary Share of £1 each | 1 | 1 |