

The Schengen Office Limited

FINANCIAL STATEMENTS

for the year ended

30 June 2004



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 2004.

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 2004	At 30 June 2003
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 2004

	Notes	2004 £	2003 £
TURNOVER	1.		
Gross Profit		127,103	78,085
Administrative Expenses		112,092	86,568
OPERATING Profit/(LOSS)		15,011	(8,482)
Interest Payable		0	2
Profit / (Loss) on Ordinary Activities Before Taxation		15,011	(8,484)
Extra-Ordinary Item	2.	-	<u>18,622</u>
Profit for the Financial Year		15,011	10,138

The Schengen Office Limited

Balance Sheet

30 June 2003

	Notes	2003 £	2002 £
CURRENT ASSETS			
Cash		21,591	9,439
Debtors		2,908	-
 Fixed Assets			
Fixtures and Fittings		650	<u>700</u>
 Total Assets		22,241	<u>10,139</u>
Creditors		-	-
 Total Assets Less Current Liabilities		25,149	10,139
 Capital and Reserves			
Called up equity and share capital		1	1
Profit and loss account		25,149	10,138

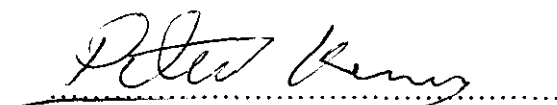
The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (The Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members requested an audit pursuant to section 249B(2) of the 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 29 July 2003


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 2004

1. Profit and Loss account:

Income and expenses have been divided into two separate periods (year to 30 April 2003 and the period 1 May 2003 to 30 June 2003). This is to reflect the position of the company before and after acquisition by director P W Kerr in May 2003.

2. Related Party Transactions

The company is now under control of P W Kerr director and sole shareholder.

3. Share Capital

	2003	2002
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

The Schengen Office Limited

FINANCIAL STATEMENTS

for the year ended

30 June 2004