

ALMAYA (UK) LIMITED

Company No: 01569324

FINANCIAL STATEMENTS

- for the year ended -

31ST DECEMBER 2005

ADVANCED ACCOUNTING PRACTICE
Certified Accountants
2nd Floor, Watling Gate
297-303 Edgware Road, London
NW9 6NB



A40 *A04C9JLR* 417
COMPANIES HOUSE 12/10/2006

ALMAYA (UK) LIMITED

DIRECTORS

L K Pagarani
D L Pagarani
K Vachani
V P Bahirwani
C Moolchandani

SECRETARY

M Singhvi

REGISTERED OFFICE

13th Floor, York House
Empire Way
Wembley
Middlesex HA9 0PA

AUDITORS

Advanced Accounting Practice
Certified Accountants
2nd Floor, Watling Gate
297-303 Edgware Road
London
NW9 6NB

PRINCIPAL BANKERS

Lloyds TSB Bank plc
564-568 High Road
Wembley
Middlesex
HA0 2AB

ALMAYA (UK) LIMITED

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ALMAYA (UK) LIMITED

REPORT OF THE DIRECTORS

The directors present their report and audited financial statements for the year ended 31st December 2005 .

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company in the year under review was that of acting as a confirming house and engaging in exporting consumer goods.

DIVIDENDS

The directors do not recommend payment of a dividend.

DIRECTORS AND THEIR INTERESTS

The directors holding office at 31st December 2005 did not hold any beneficial interest in the issued share capital of the company during the year to 31st December 2005.

	<u>Class of share</u>	<u>Number of shares</u>	
		<u>2005</u>	<u>2004</u>
L K Pagarani	Ordinary shares	1	1
D L Pagarani	Ordinary shares	-	-
K Vachani	Ordinary shares	-	-
V P Bahirwani	Ordinary shares	-	-
C Moolchandani	Ordinary shares	-	-

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.

CLOSE COMPANY

The company is a close company as defined by the Income and Corporation Taxes Act 1988.

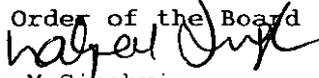
ALMAYA (UK) LIMITED

REPORT OF THE DIRECTORS (Continued)

AUDITORS

The auditors, Advanced Accounting Practice, are willing to be reappointed in accordance with section 385 of the Companies Act 1985.

Date: 9th October 2006

By Order of the Board

M Singhvi
Secretary

ALMAYA (UK) LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF
ALMAYA (UK) LIMITED

We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out in note 1 to the financial statements.

Respective responsibilities of the directors and auditors

As described in the Directors' Report 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 affairs of the company as at 31st December 2005 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


ADVANCED ACCOUNTING PRACTICE
Certified Accountants
Registered Auditors

2nd Floor, Watling Gate
297-303 Edgware Road
London
NW9 6NB

Date: 9th October 2006

ALMAYA (UK) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2005

	Notes	2005 £	2004 £
TURNOVER		2,774,222	2,617,594
Cost of sales		(2,653,532)	(2,478,140)
GROSS PROFIT		<u>120,690</u>	<u>139,454</u>
Administrative expenses		(128,731)	(163,496)
OPERATING LOSS	2	<u>(8,041)</u>	<u>(24,042)</u>
Income from investments	3	1,207	123
Interest payable	4	(952)	(2,381)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(7,786)</u>	<u>(26,300)</u>
Tax on loss on ordinary activities	6	(30)	(12)
LOSS FOR THE FINANCIAL YEAR	12	<u><u>(7,816)</u></u>	<u><u>(26,312)</u></u>

None of the company's activities were acquired or discontinued during the above two financial years.

The company has no recognised gains or losses other than those dealt with in the profit and loss account.

The notes on pages 6 to 11 form part of these financial statements.

ALMAYA (UK) LIMITED

BALANCE SHEET AT 31ST DECEMBER 2005

	Notes	2005	2004
		£	£
FIXED ASSETS			
Tangible assets	7	3,518	4,627
Investments	8	11,583	11,583
		<u>15,101</u>	<u>16,210</u>
CURRENT ASSETS			
Debtors	9	492,549	493,548
Cash at bank and in hand		44,492	9,595
		<u>537,041</u>	<u>503,143</u>
CREDITORS: Amounts falling due within one year	10	<u>(279,401)</u>	<u>(238,796)</u>
NET CURRENT ASSETS		<u>257,640</u>	<u>264,347</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>272,741</u>	<u>280,557</u>
CAPITAL AND RESERVES			
Called up share capital	11	400,000	400,000
Profit and loss account	12	(127,259)	(119,443)
SHAREHOLDERS FUNDS	13	<u>272,741</u>	<u>280,557</u>

The financial statements were approved
by the board on 9th October 2006
and signed on its behalf by

L K Pagarani  Director

The notes on pages 6 to 11 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2005

1. ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

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

1.2 TURNOVER

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

1.3 DEPRECIATION

Depreciation is provided using the following rates and bases to reduce by annual instalments the cost, less estimated residual value, of the tangible assets over their estimated useful lives:-

Fixtures and fittings 15% Straight line

1.4 DEFERRED TAXATION

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

1.5 FOREIGN EXCHANGE

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at an exchange rate fixed at the beginning of the year. All differences are taken to the profit and loss account.

1.6 LEASING AND HIRE PURCHASE

Rentals payable under operating leases are taken to the profit and loss account on a straight line basis over the lease term.

Assets acquired under finance leases or hire purchase contracts are capitalised as tangible assets and depreciated over their useful lives. Finance charges and interest are taken to the profit and loss account in constant proportion to the remaining balance of capital repayments or net obligations outstanding.

ALMAYA (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2005

2. OPERATING LOSS	2005	2004
	£	£
The operating loss is stated after charging:		
Depreciation	1,321	1,478
Auditors' remuneration	4,255	8,389
Operating lease rentals:		
Land and buildings	13,098	13,088
and after crediting:		
Profit on foreign currencies	2,276	(7,382)
	<u> </u>	<u> </u>
3. INCOME FROM INVESTMENTS	2005	2004
	£	£
Bank and other interest receivable	993	-
Income from investments	214	123
	<u> </u>	<u> </u>
	1,207	123
	<u> </u>	<u> </u>
4. INTEREST PAYABLE	2005	2004
	£	£
On bank loans and overdrafts	952	2,381
	<u> </u>	<u> </u>
	952	2,381
	<u> </u>	<u> </u>
5. DIRECTORS AND EMPLOYEES	2005	2004
	£	£
Staff costs:		
Wages and salaries	70,554	86,993
Social security costs	7,604	20,748
	<u> </u>	<u> </u>
	78,158	107,741
	<u> </u>	<u> </u>
The average number of employees during the year was made up as follows:	Number	Number
Administration	2	3
	<u> </u>	<u> </u>

ALMAYA (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2005

6. TAX ON LOSS ON ORDINARY ACTIVITIES

	2005	2004
	£	£
The taxation charge comprises:		
Tax credit attributable to franked investment income	30	12
	<u>30</u>	<u>12</u>

At the balance sheet date the company has estimated losses of £74,557 carried forward against future trading profit.

7. TANGIBLE ASSETS

	Fixtures & fittings £
<u>Cost</u>	
At 1st January 2005	20,894
Additions	212
At 31st December 2005	<u>21,106</u>
<u>Depreciation</u>	
At 1st January 2005	16,267
Charge for year	1,321
At 31st December 2005	<u>17,588</u>
<u>Net book value at 31st December 2005</u>	<u>3,518</u>
<u>Net book value at 31st December 2004</u>	<u>4,627</u>

ALMAYA (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2005

8. INVESTMENTS

<u>Cost</u>	<u>Beginning of year</u> £	<u>Additions</u> £	<u>End of year</u> £
Listed investments	11,583	-	11,583
	<u>11,583</u>	<u>-</u>	<u>11,583</u>
<u>Net book value</u>	<u>11,583</u>		<u>11,583</u>

	2005		2004	
<u>Listed investments</u>	<u>Cost</u> £	<u>Market value</u> £	<u>Cost</u> £	<u>Market value</u> £
Listed - U.K. stock exchange	<u>11,583</u>	<u>5,495</u>	<u>11,583</u>	<u>4,225</u>

9. DEBTORS

	2005 £	2004 £
Trade debtors	437,545	408,196
Other debtors	46,056	81,075
Prepayments and accrued income	8,948	4,277
	<u>492,549</u>	<u>493,548</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005 £	2004 £
Bank loans and overdrafts	17,067	134,818
Trade creditors	250,473	82,277
Taxes and social security costs	2,824	1,822
Other creditors	12	13,629
Accruals and deferred income	9,025	6,250
	<u>279,401</u>	<u>238,796</u>

ALMAYA (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2005

11.	SHARE CAPITAL	2005	2004
		£	£
	<u>Authorised</u>		
	Equity interests:		
	1,000,000 Ordinary shares of £1 each	1,000,000	1,000,000
		<u> </u>	<u> </u>
	<u>Allotted, called up and fully paid</u>		
	Equity interests:		
	400,000 Ordinary shares of £1 each	400,000	400,000
		<u> </u>	<u> </u>
12.	PROFIT AND LOSS ACCOUNT	2005	2004
		£	£
	Accumulated losses at 1st January 2005	(119,443)	(93,131)
	Loss for the financial year	(7,816)	(26,312)
		<u> </u>	<u> </u>
	Accumulated losses at 31st December 2005	(127,259)	(119,443)
		<u> </u>	<u> </u>
13.	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2005	2004
		£	£
	Loss for the financial year	(7,816)	(26,312)
	Shareholders' funds at 1st January 2005	280,557	306,869
		<u> </u>	<u> </u>
	Shareholders' funds at 31st December 2005	272,741	280,557
		<u> </u>	<u> </u>
	Represented by:-		
	Equity interests	272,741	280,557
		<u> </u>	<u> </u>
		<u> </u>	<u> </u>

ALMAYA (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2005

14. REVENUE COMMITMENTS

The amounts payable in the next year in respect of operating leases are shown below, analysed according to the expiry date of the leases.

<u>Land and buildings</u>	2005 £	2004 £
Expiry date: Between one and five years	13,409	13,098
	<u>13,409</u>	<u>13,098</u>

15. TRANSACTIONS WITH DIRECTORS

Turnover includes £2,761,018 (2004- £2,551,851) with members of the group and/or with entities in which the directors of the company have an interest. Trade debtors include £426,875 (2004- £408,196) due from the members of the group at the year end.

16. ULTIMATE PARENT COMPANY

The ultimate parent company is Almaya Lals S.A, a company incorporated in the Republic of Panama.