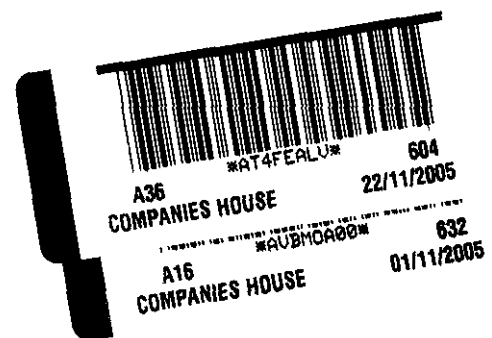


**CANDENT LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**28TH FEBRUARY 2005**



**CANDENT LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2005**

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**CANDENT LIMITED**  
**DIRECTORS AND OFFICERS FOR THE YEAR ENDED 28TH FEBRUARY 2005**

DIRECTORS:	MR TIMOTHY ROBINSON MRS P. J. TAYLOR
SECRETARY:	MR P. L. LAMING
REGISTERED OFFICE:	1 MALVERN ROAD BROUGHTON PASTURES AYLESBURY HP20 1QF
PRINCIPAL PLACE OF BUSINESS:	70-72 FORTIS GREEN ROAD MUSWELL HILL LONDON N10 3HN
ACCOUNTANTS:	MR T. THEMISTOCLEOUS CERTIFIED ACCOUNTANT (FCCA) 70 HAMPTON ROAD CHINGFORD LONDON E4 8NJ
COMPANY NUMBER:	2635465

**CANDENT LIMITED**  
**REPORT OF THE DIRECTORS**

The directors present their annual report and the financial statements for the year ended 28th February 2005.

**BUSINESS REVIEW**

The principal activity during the year was that of retail bookshop.

**DIRECTORS AND THEIR INTERESTS**

The interests of the directors in the capital of the company was as follows.

**INTEREST IN £1 ORDINARY SHARES**  
**AT 28.2.2005 and 29.2.2004**

MRS P. J. TAYLOR	NIL	NIL
MR TIMOTHY ROBINSON	NIL	NIL
	====	====

**DIRECTORS RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each 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

State where the financial Reporting Standard for Smaller Entities has been followed, subject to any material departures disclosed and explained in the financial statements.

Prepared 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.

**POLITICAL & CHARITABLE CONTRIBUTIONS**

During the year the company made no political contributions.

Signed on behalf of the board directors

Secretary.....



Date:.....28/02/2005

**CANDENT LIMITED**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 28TH FEBRUARY 2005**

	NOTE	<u>2005</u>	<u>2004</u>
TURNOVER	1.2	837457	838510
cost of Sales		<u>583301</u>	<u>-577901</u>
<b>GROSS PROFIT</b>		254156	260609
 Administration Expenses		 <u>224164</u>	 <u>230758</u>
OPERATING PROFIT	2	2992	29851
Other interest receivable & similar income		<u>1214</u>	<u>982</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		31206	30833
TAXATION	3	-6840	-5819
 <b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		 24366 =====	 25014 =====

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.

**CANDENT LIMITED**  
**BALANCE SHEET AS AT 28TH FEBRUARY 2005**

	NOTES	<u>2005</u>	<u>2004</u>
<b>FIXED ASSETS</b>			
Tangible Assets	4	51618	53435
<b>CURRENT ASSETS</b>			
Stock		347212	282505
Debtors	5	137681	142960
Cash At Bank & In Hand		<u>87308</u>	<u>115939</u>
		572201	541404
<b>CREDITORS</b>			
Amounts falling due within one year	6	-85957	-81343
<b>NET CURRENT ASSETS</b>		<u>486244</u>	<u>460061</u>
		537862	513496
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
<b>CREDITORS</b>			
Amount falling due after more than on year	7	<u>296217</u>	<u>296217</u>
<b>NET ASSETS</b>		241645	217279
		=====	=====
<b>CAPITAL &amp; RESERVES</b>			
Called up Share Capital	8	2	2
Profit & Loss account	9	<u>241643</u>	<u>217277</u>
Shareholder's Funds	10	241645	217279
		=====	=====

**DIRECTORS STATEMENT**

a. The company is entitles to take advantage of the total exemption from audit given by section 249A(1) of the Companies Act 1985 for the year ended 28th February 2005.

b. No notice has been deposited by holders of 10% or more of the company's issued share capital requiring the company to obtain an audit of its accounts given under section 249B (2) of the Companies act 1985 for the financial year ended 28.2.2005.

(Continued)

**CANDENT LIMITED**  
**BALANCE SHEET AS AT FEBRUARY 2005**

**DIRECTORS STATEMENT 9(continue)**

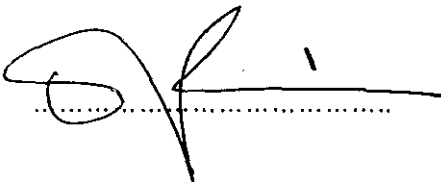
c) The directors acknowledge their responsibilities for:

1. ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and

2) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year in accordance with Section 226 of the Companies Act 1985.

The directors have taken advantage of the exemptions conferred by part 1 of Schedule by part 1 of Schedule 8 of the Companies Act 1985 and have done so on the grounds that in their opinion the company is entitled to these exemptions as a small company.

These financial statements were approval by the Board of directors.

A handwritten signature in black ink, consisting of a stylized 'D' followed by a horizontal line and a small vertical stroke.

DATE: 28/05/2005

**CANDENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR END 3D 28TH FEBRUARY 2005**

**1. Accounting Policies**

**1.1 Accounting Convention**

The financial statements are prepared under the historical cost convention.

**1.2 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

**1.3 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciations provided at rates calculated to write off cost less estimated residual value of each asset over its expected useful life as follows.

Land & Building Leasehold	Straight over the life of the lease.
Fixtures, fittings & Equipment	15% Reducing balance

**1.4 Leasing**

Rentals payable under operating leases are charged against on a straight line basic over the lease term.

**1.5 Stock**

Stock is value at the lower of cost and net realisable value.

**2. Operating profit**

	<u><b>2005</b></u>	<u><b>2004</b></u>
Operating profit is stated after charging		
Depreciation of tangible assets	8294	8109
Operating lease rentals	43000	43494
	====	====

**3. Taxation**

Domestic current year taxation		
Auk Corporation tax	6840	5819
	====	====



**CANDENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 28TH FEBRUARY 2005**

<b>4. Tangible fixed assets</b>	<b><u>Land and Property</u></b>	<b><u>Plant and Machinery</u></b>	<b><u>Total</u></b>
<b><u>Cost</u></b>			
At 1 March 2004	57000	90296	147296
Additions	<u>NIL</u>	<u>6477</u>	<u>6477</u>
At 28th February 2005	57000	96773	153773
	=====	=====	=====
<b><u>Depreciation</u></b>			
At 1 March 2004	33278	60583	93861
Charge for the year	<u>2865</u>	<u>5429</u>	<u>8294</u>
At 28 February 2005	36143	66012	102155
	=====	=====	=====
<b><u>Net Book Value</u></b>			
At 28 February 2005	20857	30761	51618
	=====	=====	=====
At 28 February 2004	23722	29713	53435
	=====	=====	=====

**5. Debtors**

	<b><u>2005</u></b>	<b><u>2004</u></b>
Trade debtors		
Other debtors	5526	14449
	<u>132155</u>	<u>126511</u>
	137681	142960
	=====	=====

**6. Creditors: Amount falling due within one year**

Bank Loans and overdrafts	26694	33354
Trade Creditors	36599	34732
Taxation & Social Security	9141	7874
Other Creditors	<u>13523</u>	<u>5383</u>
	85957	81343
	=====	=====

**CANDENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUE)**  
**FOR THE YEAR ENDED 28TH FEBRUARY 2005**

**7. Creditors: Amount falling due after more than one year**

	<u>2005</u>	<u>2004</u>
Wholly repayable within five years	296217	296217
	=====	=====

The long term loan is secured by a fixed and floating charge over the fixed assets of the company.

**8. Share Capital**

Authorised		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up & fully paid	<u>2</u>	<u>2</u>

**9. Statement of movements on profit and loss account**

Balance at 1 March 2004	217277
Retained profit for the year	<u>24366</u>
Balance at 1 March 2005	<u>241643</u>

**10 Reconciliation of movement in shareholders' funds**

	<u>2005</u>	<u>2004</u>
Profit for the financial year	24366	25014
Opening shareholders' funds	<u>217279</u>	<u>192265</u>
Closing shareholders' funds	<u>241645</u>	<u>217279</u>

THE FOLLOWING PAGES DO NOT FORM PART OF THE STATUTORY ACCOUNTS

**CANDENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUE)**  
**FOR THE YEAR ENDED 28TH FEBRUARY 2005**

	<u>2005</u>	<u>2004</u>
TURNOVER	837457	838510
<b><u>COST OF SALES</u></b>		
Opening stock and work in progress	282505	325567
Purchases	<u>648008</u>	<u>534839</u>
	930513	860406
Closing Stock	<u>347212</u>	<u>583301</u>
	-282505	-577901
<b>GROSS PROFIT</b>	254156	260609
Administrative Expenses	<u>-224164</u>	<u>-230758</u>
Operating Profit	29992	29851
Other Interest receivable and similar income		
Bank Interest received	1214	<u>982</u>
Profit before taxation	<u>31206</u>	<u>30833</u>

**CANDENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUE)**  
**FOR THE YEAR ENDED 28TH FEBRUARY 2005**

	<u>2005</u>	<u>2004</u>
<b><u>ADMINISTRATIVE EXPENSES</u></b>		
Director's Remuneration	21559	21074
Wages and Salaries	78452	79470
Rent re Operating Leases	43000	43494
Rates	13827	14705
Insurance	3836	4655
Light and Heat	2276	1661
Repairs and Maintenance	5767	7122
Printing, Postage and Stationary	9749	9938
Advertising	1208	1641
Telephone	2779	3097
Computer Running Costs	724	879
Entertaining	831	902
Consultancy Fees	6150	9600
Bookkeeping and Secretarial Fees	9640	9465
Accountancy Fees	3000	2800
Bank Charges	1139	1221
Credit Card Charges	6022	5747
Staff Welfare	561	1241
Sundry Expenses	2095	1738
Subscriptions	1961	2199
Amortisation on Short Lease	2865	2865
Derpeciation on F & F & Equiptment	5429	5244
Legal Fees	<u>1294</u>	<u>NIL</u>
	<u>224164</u>	<u>230758</u>