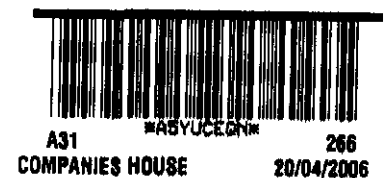


SMARTSHOP LIMITED
FINANCIAL STATEMENTS
30TH JUNE 2005

RANJAN CONSULTING
Chartered Certified Accountants
252 Malden Way
New Malden
Surrey
KT3 5QT



SMARTSHOP LIMITED

THE DIRECTOR'S REPORT

PERIOD FROM 1ST MARCH 2004 TO 30TH JUNE 2005

The director has pleasure in presenting his report and the unaudited financial statements of the company for the period from 1st March 2004 to 30th June 2005.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of IT supply and consultancy.

THE DIRECTOR AND HIS INTERESTS IN THE SHARES OF THE COMPANY

The director who served the company during the period together with his beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 30 June 2005	At 1 March 2004
S Thayaparan	<u>1</u>	<u>1</u>

SMALL COMPANY PROVISIONS

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

Registered office:
81 Raeburn Avenue
Surbiton
Surrey KT5 9BP

Signed by order of the director



MISS. K. SATCHITHANANTHAN
Company Secretary

Approved by the director on 27th February 2006

SMARTSHOP LIMITED
PROFIT AND LOSS ACCOUNT
PERIOD FROM 1ST MARCH 2004 TO 30TH JUNE 2005

	Note	30 Jun 05 £	Year to 29 Feb 04 £
TURNOVER		128,010	67,037
Cost of sales		<u>75,150</u>	<u>45,608</u>
GROSS PROFIT		52,860	21,429
Administrative expenses		<u>49,408</u>	<u>17,681</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		3,452	3,748
Tax on profit on ordinary activities	3	—	113
RETAINED PROFIT FOR THE FINANCIAL PERIOD		3,452	3,635
Balance brought forward		<u>12,386</u>	<u>8,751</u>
Balance carried forward		<u>15,838</u>	<u>12,386</u>

The notes on page 2 form part of these financial statements.

SMARTSHOP LIMITED

BALANCE SHEET

30TH JUNE 2005

	Note	30 Jun 05 £	£	29 Feb 04 £	£
FIXED ASSETS					
Tangible assets	4		8,417		1,500
CURRENT ASSETS					
Stocks		22,000		5,750	
Debtors	5	14,671		2,910	
Cash at bank		206		5,781	
		<u>36,877</u>		<u>14,441</u>	
CREDITORS: Amounts falling due within one year	6	<u>29,455</u>		<u>3,554</u>	
NET CURRENT ASSETS			<u>7,422</u>		<u>10,887</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>15,839</u>		<u>12,387</u>
CAPITAL AND RESERVES					
Called-up equity share capital	8		1		1
Profit and loss account			<u>15,838</u>		<u>12,386</u>
SHAREHOLDERS' FUNDS			<u>15,839</u>		<u>12,387</u>

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 period by virtue of section 249A(1), and that no member or members have 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 period and of its profit or loss for the financial period 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 27th February 2006.


S THAYAPARAN
Director

The notes on page 3 form part of these financial statements.

SMARTSHOP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1ST MARCH 2004 TO 30TH JUNE 2005

1. 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).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the period, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & machinery	- 33% Straight line
Fixtures & fittings	- 20% Straight line
Motor vehicle	- 25% Reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

2. OPERATING PROFIT

Operating profit is stated after charging:

	30 Jun 05	Year to 29 Feb 04
	£	£
Director's emoluments	—	—
Depreciation of owned fixed assets	<u>4,210</u>	<u>1,500</u>

SMARTSHOP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1ST MARCH 2004 TO 30TH JUNE 2005

3. TAXATION ON ORDINARY ACTIVITIES

	30 Jun 05 £	Year to 29 Feb 04 £
Current tax:		
Over/under provision in prior year	-	113
Total current tax	-	113

4. TANGIBLE FIXED ASSETS

	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
COST				
At 1st March 2004	4,500	-	-	4,500
Additions	-	1,427	9,700	11,127
At 30th June 2005	4,500	1,427	9,700	15,627
DEPRECIATION				
At 1st March 2004	3,000	-	-	3,000
Charge for the period	1,500	285	2,425	4,210
At 30th June 2005	4,500	285	2,425	7,210
NET BOOK VALUE				
At 30th June 2005	-	1,142	7,275	8,417
At 29th February 2004	1,500	-	-	1,500

5. DEBTORS

	30 Jun 05 £	29 Feb 04 £
Trade debtors	14,671	2,910

SMARTSHOP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1ST MARCH 2004 TO 30TH JUNE 2005

6. CREDITORS: Amounts falling due within one year

	30 Jun 05		29 Feb 04	
	£	£	£	£
Other creditors including taxation:				
VAT	3,002		139	
Directors current accounts	25,691		2,715	
Other creditors	132		—	
Accruals and deferred income	630		700	
		<u>29,455</u>		<u>3,554</u>

7. RELATED PARTY TRANSACTIONS

The company was under the control of Mr S.Thayaparan throughout the current year. Mr S.Thayaparan is the managing director and majority shareholder. Total expenses of £3,000 were re-charged to Intelisoft Ltd, an associated company.

8. SHARE CAPITAL

Authorised share capital:

	30 Jun 05		29 Feb 04	
	£		£	
100 Ordinary shares of £1 each	<u>100</u>		<u>100</u>	

Allotted, called up and fully paid:

	30 Jun 05		29 Feb 04	
	No	£	No	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>