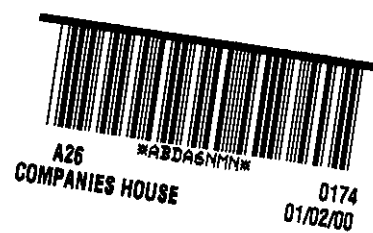


**REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 1999  
FOR  
SPARNEST SERVICES LTD**



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**for the Year Ended 5 April 1999**

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**COMPANY INFORMATION**  
**for the Year Ended 5 April 1999**

**DIRECTORS:**

N Hajiani  
Mrs S Hajiani

**SECRETARY:**

Mrs S Hajiani

**REGISTERED OFFICE:**

14 Wymondley Grove  
Trentham  
Stoke-on-Trent  
Staffordshire  
ST4 8TW

**REGISTERED NUMBER:**

02578173 (England and Wales)

## **REPORT OF THE DIRECTORS for the Year Ended 5 April 1999**

The directors present their report with the financial statements of the company for the year ended 5 April 1999.

### **PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of financial broker and ancillary services.

### **REVIEW OF BUSINESS**

The results for the year and financial position of the company are shown in the annexed financial statements.

### **DIVIDENDS AND TRANSFERS TO RESERVES**

No dividends will be distributed for the year ended 5 April 1999. The deficit transferred to reserves will be £455.

### **DIRECTORS**

The directors during the year under review were:

N Hajiani  
Mrs S Hajiani

The beneficial interests of the directors holding office on 5 April 1999 in the issued share capital of the company were as follows:

	<b>5.4.99</b>	<b>6.4.98</b>
<b>Ordinary £1 shares</b>		
N Hajiani	1	1
Mrs S Hajiani	1	1

### **STATEMENT OF 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.

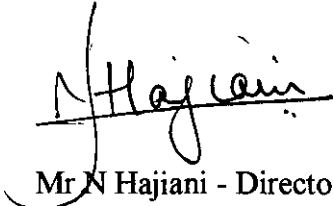
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also

**REPORT OF THE DIRECTORS  
for the Year Ended 5 April 1999**

responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In preparing this report the directors have taken advantage of special exemptions applicable to small companies conferred by Part II of Schedule 8 to the Companies Act 1985.

**ON BEHALF OF THE BOARD:**

A handwritten signature in dark ink, appearing to read 'N Hajiani', written over a horizontal line.

Mr N Hajiani - Director

Dated: 27 January, 2000

**PROFIT AND LOSS ACCOUNT**  
for the Year Ended 5 April 1999

	Notes	1999 <u>£</u>	1998 <u>£</u>
<b>TURNOVER</b>	2	9,982	8,782
Cost of Sales		<u>-</u>	<u>-</u>
<b>GROSS PROFIT</b>		9,982	8,782
Administrative expenses		<u>9,914</u>	<u>10,190</u>
<b>OPERATING (LOSS)/PROFIT</b>	3	(387)	(1,408)
Interest payable and similar charges		<u>68</u>	<u>68</u>
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(455)	(1,476)
Tax on (loss)/profit on ordinary activities		<u>-</u>	<u>-</u>
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		(455)	(1,476)
Deficit brought forward		<u>(10,387)</u>	<u>(8,911)</u>
<b>DEFICIT CARRIED FORWARD</b>		<u><u>(10,842)</u></u>	<u><u>(10,387)</u></u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current and previous years.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the loss for the current year and the loss for the previous year.

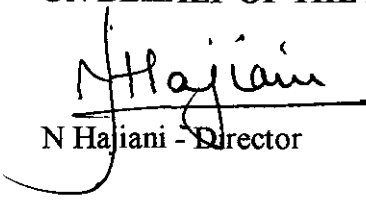
**BALANCE SHEET**  
**at 5 April 1999**

	Notes	1999		1998	
		£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	4		844		1,037
<b>CURRENT ASSETS:</b>					
Debtors	5	3,693		3,500	
Cash at bank		-		-	
		<u>3,500</u>		<u>3,500</u>	
<b>CREDITORS: Amounts falling due within one year</b>	6	<u>14,922</u>		<u>14,922</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(11,422)</u>		<u>(11,422)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>(10,840)</u>		<u>(10,385)</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	8		2		2
Profit and loss account			<u>(10,842)</u>		<u>(10,387)</u>
Shareholders' funds			<u>(10,840)</u>		<u>(10,385)</u>

In preparing these financial statements, the directors have:

- taken advantage of the Companies Act 1985 in not having these accounts audited under Section 249A(1) [total exemption]
- confirmed that no notice has been deposited under Section 249B(2) of the Companies Act 1985
- acknowledged their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985
- acknowledged their responsibilities for preparing accounts which give a true and fair view of the company and of its loss for the year then ended in accordance with the requirements of Section 226 of the Companies Act 1985 and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to this company.
- taken advantage of the exemptions conferred by Part III of Schedule 8 of the Companies Act 1985 and in their opinion the company is entitled to those exemptions on the basis that it qualifies as a small company.

**ON BEHALF OF THE BOARD:**

  
N Hajiani - Director

Approved by the Board on 27 January, 2000

**NOTES TO THE FINANCIAL STATEMENTS**  
**at 5 April 1999**

**1. ACCOUNTING POLICIES**

**Accounting convention**

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

**Financial Reporting Standard Number 1**

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

**Tangible fixed assets**

Depreciation is provided at the following rates in order to write off each asset over its estimated useful life.

Office furniture & equipment	- 10% on reducing balance
Motor vehicles	- 25% on reducing balance

**Deferred taxation**

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

**2. TURNOVER**

The turnover and loss before taxation are attributable to the one principal activity of the company.

**3. OPERATING LOSS**

The operating loss is stated after charging:

	1999 £	1998 £
Depreciation - owned assets	193	248
Auditors remuneration	<u>450</u>	<u>450</u>
Directors' emoluments	<u>-</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**at 5 April 1999**

**4. TANGIBLE FIXED ASSETS**

	Office furniture & equipment	Motor vehicles	Total
	<u>£</u>	<u>£</u>	<u>£</u>
<b>COST:</b>			
At 6 April 1998 and 5 April 1999	<u>1,043</u>	<u>2,500</u>	<u>3,543</u>
<b>DEPRECIATION:</b>			
At 6 April 1998	598	1,908	2,506
Charge for the year	<u>45</u>	<u>148</u>	<u>193</u>
At 5 April 1999	<u>643</u>	<u>2,056</u>	<u>2,699</u>
<b>NET BOOK VALUE:</b>			
At 5 April 1999	<u>400</u>	<u>444</u>	<u>844</u>
At 5 April 1998	<u>445</u>	<u>592</u>	<u>1,037</u>

**5. DEBTORS: AMOUNTS  
FALLING DUE WITHIN ONE  
YEAR**

	1999 £	1998 £
Trade debtors	<u>3,693</u>	<u>3,500</u>

**6. CREDITORS: AMOUNTS  
FALLING DUE WITHIN ONE  
YEAR**

	1999 £	1998 £
Bank loans and overdrafts (see note 7)	-	300
Trade creditors	836	1,000
Directors loan account	11,649	10,044
Unsecured loan	1,500	1,500
Accrued expenses	<u>937</u>	<u>850</u>
	<u>14,922</u>	<u>13,694</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**at 5 April 1999**

**7. LOANS AND OVERDRAFTS**

An analysis of the maturity of loans and overdrafts is given below:

	1999 £	1998 £
Amounts falling due within one year on demand:		
Bank overdrafts	-	<u>300</u>

**8. CALLED UP SHARE CAPITAL**

*Authorised:*

Number:	Class:	Nominal Value	1999 £	1998 £
100	Ordinary	£1	<u>100</u>	<u>100</u>

*Allotted, Issued and Fully Paid:*

Number:	Class:	Nominal Value	1999 £	1998 £
2	Ordinary	£1	<u>2</u>	<u>2</u>

**9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	1999 £	1998 £
(Loss)/Profit for the financial year	<u>(455)</u>	<u>(1,476)</u>
<b>NET</b>		
<b>(REDUCTION)/ADDITION TO SHAREHOLDERS' FUNDS</b>	(455)	(1,476)
Opening shareholders' funds	<u>(10,385)</u>	<u>(8,909)</u>
<b>CLOSING SHAREHOLDERS' FUNDS</b>	<u>(10,840)</u>	<u>(10,385)</u>
Equity interests	<u>(10,840)</u>	<u>(10,385)</u>