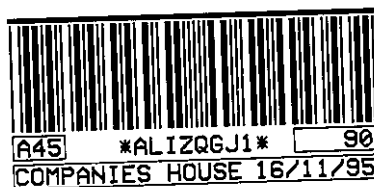


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FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 1995  
FOR  
AFRICA BOOKS LIMITED



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AFRICA BOOKS LIMITED

COMPANY INFORMATION

DIRECTOR: R.C. Uwechue

SECRETARY: Mrs. A.K. Uwechue

REGISTERED OFFICE: Suite 320, Walmar House  
296 Regent Street  
London W1R 5HB

REGISTERED NUMBER: 1315494

ACCOUNTANTS: Pethybridge Tarn & Company  
Suite 320 Walmar House  
296 Regent Street  
London W1R 5HB

REPORT OF THE DIRECTOR

The director presents his report with the financial statements of the company for the year ended 31 March 1995.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of publishing.

REVIEW OF BUSINESS

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

DIVIDENDS AND TRANSFERS TO RESERVES

No dividends will be distributed for the year ended 31 March 1995. The deficit transferred to reserves will be £39,158.

DIRECTOR

The director of the company in office during the year and his beneficial interest in the issued share capital was as follows:

<u>Name</u>	<u>Class of Capital</u>	<u>31. 3.95</u>	<u>1. 4.94</u>
R.C. Uwechue	Ordinary £1	20,000	. 10

ON BEHALF OF THE BOARD:

Director

*R.C. Uwechue*

Dated:

*9/11/95*

REPORT OF THE ACCOUNTANTS TO THE SHAREHOLDERS  
ON THE UNAUDITED FINANCIAL STATEMENTS OF  
AFRICA BOOKS LIMITED

We report on the financial statements for the year ended 31 March 1995 set out on pages four to eleven.

Respective responsibilities of director and reporting accountants  
As described on page six the company's director is responsible for the preparation of the financial statements, and he considers that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the financial statements are in agreement with the accounting records kept by the company under Section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
  - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act; and
  - (ii) the company satisfied the conditions for exemption from an audit of the financial statements for the year specified in Section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in Section 249B(1).

Pethybridge Tarn & Company  
Suite 320 Walmar House  
296 Regent Street  
London W1R 5HB

*Pethybridge Tarn & Co*

Dated:

*15th November 1995.*

PROFIT AND LOSS ACCOUNT  
for the Year Ended 31 March 1995

		31. 3.95	31. 3.94
	Notes	£	£
TURNOVER	2	317,837	73,088
Cost of Sales		212,602	39,306
GROSS PROFIT		105,235	33,782
Administrative Expenses		145,884	109,083
OPERATING LOSS	4	(40,649)	(75,301)
Interest Receivable	5	1,491	670
		(39,158)	(74,631)
Interest Payable and Similar Charges	6	-	315
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(39,158)	(74,946)
Tax on Loss on Ordinary Activities	7	-	-
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		(39,158)	(74,946)
Deficit brought forward		(209,383)	(134,437)
DEFICIT CARRIED FORWARD		£(248,541)	£(209,383)

## 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 losses for the current and previous years.

The notes form part of these financial statements

## AFRICA BOOKS LIMITED

BALANCE SHEET  
As at 31 March 1995

	Notes	31. 3.95		31. 3.94	
		£	£	£	£
FIXED ASSETS:					
Tangible Assets	8		9,869		10,948
CURRENT ASSETS:					
Stocks	9	416,012		535,941	
Debtors	10	1,907		139,517	
Cash at Bank and In Hand		46,738		190	
		<u>464,657</u>		<u>675,648</u>	
CREDITORS: Amounts falling due within one year	11	<u>523,067</u>		<u>695,979</u>	
NET CURRENT LIABILITIES:			(58,410)		(20,331)
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>£(48,541)</u>		<u>£(9,383)</u>
CAPITAL AND RESERVES:					
Called Up Share Capital	13		200,000		200,000
Profit & Loss Account			(248,541)		(209,383)
Shareholders' Funds	14		<u>£(48,541)</u>		<u>£(9,383)</u>

The notes form part of these financial statements

BALANCE SHEET  
As at 31 March 1995

The company is entitled to exemption from audit under Section 249A(2) of the Companies Act 1985 for the year ending 31 March 1995.

No notice has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its financial statements for the financial year.

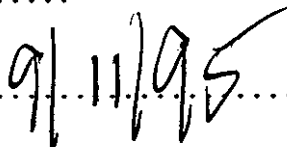
The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

ON BEHALF OF THE BOARD:

.....  .....

DIRECTOR

Approved by the Board on .....  .....

The notes form part of these financial statements



NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 March 1995

## 1. ACCOUNTING POLICIES

## Accounting Convention

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

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 annual rates in order to write off each asset over its estimated useful life.

Improvements to Property	- not provided
Fixtures & Fittings	- 25% on cost
Motor Vehicles	- 25% on cost

## Stocks

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

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

## 2. TURNOVER

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

## 3. STAFF COSTS

	31. 3.95	31. 3.94
	£	£
Wages and Salaries	<u>29,952</u>	<u>25,811</u>

The average weekly number of employees during the year was as follows:

	31. 3.95	31. 3.94
Office Staff	<u>2</u>	<u>7</u>

NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 March 1995

## 4. OPERATING LOSS

The operating loss is stated after charging:

	31. 3.95	31. 3.94
	£	£
Hire of Plant and Machinery	-	175
Depreciation - Owned Assets	1,739	8,953
Auditors' Remuneration	-	2,500
	<u>          </u>	<u>          </u>
Director's Emoluments	-	-
	<u>          </u>	<u>          </u>

## 5. INTEREST RECEIVABLE

	31. 3.95	31. 3.94
	£	£
Deposit Account Interest	746	304
Commission Received	745	366
	<u>          </u>	<u>          </u>
	1,491	670
	<u>          </u>	<u>          </u>

## 6. INTEREST PAYABLE AND SIMILAR CHARGES

	31. 3.95	31. 3.94
	£	£
Bank Loans, Overdrafts and Other Loans repayable within five years:		
otherwise than by instalments	-	315
	<u>          </u>	<u>          </u>

## 7. TAXATION

No liability to UK Corporation tax arose on ordinary activities for the year ended 31 March 1995 nor for the year ended 31 March 1994.

NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 March 1995

## 8. TANGIBLE FIXED ASSETS

	Improvem- ents to Property	Fixtures & Fittings	Motor Vehicles	Totals
	£	£	£	£
<b>COST:</b>				
As at 1 April 1994	8,994	8,037	22,663	39,694
Additions	-	660	-	660
As at 31 March 1995	8,994	8,697	22,663	40,354
<b>DEPRECIATION:</b>				
As at 1 April 1994	-	6,084	22,662	28,746
Charge for Year	-	1,739	-	1,739
As at 31 March 1995	-	7,823	22,662	30,485
<b>NET BOOK VALUE:</b>				
As at 31 March 1995	£8,994	£874	£1	£9,869
As at 31 March 1994	£8,994	£1,953	£1	£10,948

## 9. STOCKS

	31. 3.95	31. 3.94
	£	£
Stock	5,290	230,452
Work in Progress	410,722	305,489
	416,012	535,941

## 10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31. 3.95	31. 3.94
	£	£
V.A.T.	907	1,428
Trade Debtors	-	135,226
Prepayments & Accrued Income	-	2,863
Debtors	1,000	-
	1,907	139,517

NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 March 1995

11. CREDITORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR

	31. 3.95	31. 3.94
	£	£
Bank Loans and Overdrafts		
(See Note 12)	-	11,511
Trade Creditors	-	1,338
Africana Holdings Inc	520,793	680,455
Other Taxes & Social Security	774	-
Accrued Expenses	1,500	2,675
	<hr/>	<hr/>
	523,067	695,979

## 12. LOANS AND OVERDRAFTS

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

	31. 3.95	31. 3.94
	£	£
Amounts falling due within one year or on demand:		
Bank Overdrafts	-	11,511

13. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal	31. 3.95	31. 3.94
		Value:	£	£
250,000	Ordinary	£1	250,000	250,000

Allotted, issued and fully paid:

Number:	Class:	Nominal Value:	31. 3.95 £	31. 3.94 £
200,000	Ordinary	£1	200,000	200,000

NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 March 1995

## 14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31. 3.95	31. 3.94
	£	£
Loss for the Financial Year	(39,158)	(74,946)
NET REDUCTION OF SHAREHOLDERS' FUNDS	(39,158)	(74,946)
Opening Shareholders' Funds	(9,383)	65,563
CLOSING SHAREHOLDERS' FUNDS	<u>(48,541)</u>	<u>(9,383)</u>
Equity interests	<u>(48,541)</u>	<u>(9,383)</u>