

EFEL PROCESSING LTD
FINANCIAL STATEMENTS
FOR
30TH JUNE 1999

Company Registration Number 949755

LIEBERMAN & CO
Accountants
189 Regent Street
London
W1R 8AT



EFEL PROCESSING LTD**THE DIRECTOR'S REPORT****YEAR ENDED 30TH JUNE 1999**

The director presents his report and the unaudited financial statements of the company for the year ended 30th June 1999.

PRINCIPAL ACTIVITIES

The principal activities of the company during the year were processing plastic materials and property investment.

THE DIRECTOR AND HIS INTERESTS IN SHARES OF THE COMPANY

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

	Ordinary Shares of £1 each	
	At 30 June 1999	At 1 July 1998
S Lew	—	—

DIRECTOR'S RESPONSIBILITIES

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the director is required to select suitable accounting policies, as described on page 6, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The director must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. The director is 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.

DONATIONS

During the year the company made the following contributions:

	1999	1998
	£	£
Charitable	<u>32,468</u>	<u>25,974</u>

EFEL PROCESSING LTD

THE DIRECTOR'S REPORT *(continued)*

YEAR ENDED 30TH JUNE 1999

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:
189 Regent St
London
W1R 8AT

Signed by order of the director

C LEW *Ch. Lew*
Company Secretary

Approved by the director on *24/3/00*.....

EFEL PROCESSING LTD
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30TH JUNE 1999

	Note	1999 £	1998 £
TURNOVER		47,429	151,196
Cost of sales		(5,686)	(119,298)
GROSS PROFIT		41,743	31,898
Administrative expenses		(41,632)	(36,605)
OPERATING PROFIT/(LOSS)	2	111	(4,707)
Loss on disposal of fixed assets		(5,781)	-
		(5,670)	(4,707)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(5,670)	(4,707)
Tax on loss on ordinary activities	3	(4,272)	-
LOSS FOR THE FINANCIAL YEAR		(9,942)	(4,707)
Balance brought forward		(446,097)	(441,390)
Balance carried forward		<u>(456,039)</u>	<u>(446,097)</u>

EFEL PROCESSING LTD**BALANCE SHEET****30TH JUNE 1999**

	Note	1999	1998
		£	£
FIXED ASSETS			
Tangible assets	4	360,163	375,973
CURRENT ASSETS			
Stocks		-	1
Debtors	5	438,824	438,748
Cash at bank and in hand		1,339	1,044
		<u>440,163</u>	<u>439,793</u>
CREDITORS: Amounts falling due within one year	6	<u>(19,487)</u>	<u>(24,985)</u>
NET CURRENT ASSETS		<u>420,676</u>	<u>414,808</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>780,839</u>	<u>790,781</u>

The balance sheet continues on the following page.

The notes on pages 6 to 8 form part of these financial statements.

EFEL PROCESSING LTD**BALANCE SHEET** *(continued)***30TH JUNE 1999**

	Note	1999 £	1998 £
CAPITAL AND RESERVES			
Called-up equity share capital	7	10,000	10,000
Revaluation reserve		254,739	254,739
Other reserves		972,139	972,139
Profit and loss account		(456,039)	(446,097)
SHAREHOLDERS' FUNDS		<u>780,839</u>	<u>790,781</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 accounts for the year 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 accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year 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 March 1999).

These financial statements were approved and signed by the director on 24/3/00



S LEW

EFEL PROCESSING LTD**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30TH JUNE 1999****1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999), subject to the departures referred to below.

No related parties note, as required under the FRSSE, has been appended.

Turnover

Turnover represents net amounts invoiced and rents and similar charges receivable.

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 & Motor vehicle - 15% reducing balance

Fixtures and Fittings - 15% 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/LOSS

Operating profit/loss is stated after charging:

	1999	1998
	£	£
Director's Emoluments	3,000	2,250
Depreciation	29	2,819
	<u> </u>	<u> </u>

EFEL PROCESSING LTD**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30TH JUNE 1999****3. TAX ON LOSS ON ORDINARY ACTIVITIES**

	1999 £	1998 £
In respect of the year:		
Corporation tax based on the results for the year at 21% (1998 - 21%)	580	-
Interest on Tax	66	-
	<u>646</u>	<u>-</u>
Adjustment in respect of previous years:		
Corporation tax	3,626	-
	<u>4,272</u>	<u>-</u>

4. TANGIBLE FIXED ASSETS

	Land and buildings £	Other plant & machinery etc. £	Total £
COST OR VALUATION			
At 1st July 1998	360,000	135,948	495,948
Disposals	-	(132,258)	(132,258)
At 30th June 1999	<u>360,000</u>	<u>3,690</u>	<u>363,690</u>
DEPRECIATION			
At 1st July 1998	-	119,975	119,975
Charge for the year	-	29	29
On disposals	-	(116,477)	(116,477)
At 30th June 1999	<u>-</u>	<u>3,527</u>	<u>3,527</u>
NET BOOK VALUE			
At 30th June 1999	<u>360,000</u>	<u>163</u>	<u>360,163</u>
At 30th June 1998	<u>360,000</u>	<u>15,973</u>	<u>375,973</u>

Revaluation of fixed assets

Land and buildings have been valued at market value by the director at the year end.

EFEL PROCESSING LTD**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30TH JUNE 1999****5. DEBTORS**

	1999	1998
	£	£
Trade debtors	296,296	306,697
Corporation Tax repayable	-	3,626
Other debtors	142,528	128,425
	<u>438,824</u>	<u>438,748</u>

6. CREDITORS: Amounts falling due within one year

	1999	1998
	£	£
Trade creditors	-	2,624
Corporation tax	580	-
Other taxation and social security	3,302	19,040
Other creditors	15,605	3,321
	<u>19,487</u>	<u>24,985</u>

7. SHARE CAPITAL**Authorised share capital:**

	1999	1998
	£	£
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid:

	1999	1998
	£	£
Ordinary share capital	<u>10,000</u>	<u>10,000</u>

8. ULTIMATE PARENT COMPANY

The ultimate holding company is Amskill Limited, a company limited by guarantee and incorporated in England and Wales.