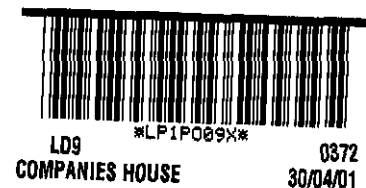


EFEL PROCESSING LTD
FINANCIAL STATEMENTS
FOR
30TH JUNE 2000

Company Registration Number 949755

LIEBERMAN & CO

Accountants
Triumph House
189 Regent Street
London
W1B 4AT



EFEL PROCESSING LTD

THE DIRECTOR'S REPORT

YEAR ENDED 30TH JUNE 2000

The director presents his report and the unaudited financial statements of the company for the year ended 30th June 2000.

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 2000	At 1 July 1999
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:

	2000	1999
	£	£
Charitable	<u>20,000</u>	<u>32,468</u>

EFEL PROCESSING LTD

THE DIRECTOR'S REPORT *(continued)*

YEAR ENDED 30TH JUNE 2000

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
W1B 4AT

Signed by order of the director



C LEW
Company Secretary

Approved by the director on 27/4/01

EFEL PROCESSING LTD
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30TH JUNE 2000

	Note	2000 £	1999 £
TURNOVER		39,235	47,427
Cost of turnover		(9,591)	(5,684)
GROSS PROFIT		29,644	41,743
Administrative expenses		(29,443)	(41,632)
OPERATING PROFIT	2	201	111
Loss on disposal of fixed assets		-	(5,781)
		201	(5,670)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		201	(5,670)
Tax on profit/(loss) on ordinary activities	3	(43)	(4,272)
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR		158	(9,942)
Balance brought forward		(456,039)	(446,097)
Balance carried forward		<u>(455,881)</u>	<u>(456,039)</u>

EFEL PROCESSING LTD**BALANCE SHEET****30TH JUNE 2000**

	Note	2000	1999
		£	£
FIXED ASSETS			
Tangible assets	4	360,139	360,163
CURRENT ASSETS			
Debtors	5	433,622	438,824
Cash at bank and in hand		3,507	1,339
		<u>437,129</u>	<u>440,163</u>
CREDITORS: Amounts falling due within one year	6	<u>(16,271)</u>	<u>(19,487)</u>
NET CURRENT ASSETS		420,858	420,676
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>780,997</u>	<u>780,839</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 2000**

	Note	2000 £	1999 £
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		(455,881)	(456,039)
SHAREHOLDERS' FUNDS		<u>780,997</u>	<u>780,839</u>

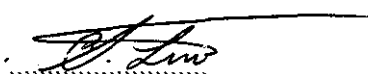
The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

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 25/4/01



S LEW

EFEL PROCESSING LTD**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30TH JUNE 2000****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

2. OPERATING PROFIT

Operating profit is stated after charging:

	2000	1999
	£	£
Director's Emoluments	3,000	3,000
Depreciation	24	29
	<u> </u>	<u> </u>

3. TAX ON PROFIT OR LOSS ON ORDINARY ACTIVITIES

	2000	1999
	£	£
In respect of the year:		
Corporation tax based on the results for the year at 20% (1999 - 21%)	43	580
Interest on Tax	-	66
	<u> </u>	<u> </u>
	43	646

Adjustment in respect of previous years:

Corporation tax	-	3,626
	<u> </u>	<u> </u>
	43	4,272
	<u> </u>	<u> </u>

EFEL PROCESSING LTD**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30TH JUNE 2000****4. TANGIBLE FIXED ASSETS**

	Land and buildings £	Other plant & machinery etc. £	Total £
COST OR VALUATION			
At 1st July 1999 and 30th June 2000	<u>360,000</u>	<u>3,690</u>	<u>363,690</u>
DEPRECIATION			
At 1st July 1999	-	3,527	3,527
Charge for the year	-	24	24
At 30th June 2000	<u>-</u>	<u>3,551</u>	<u>3,551</u>
NET BOOK VALUE			
At 30th June 2000	<u>360,000</u>	<u>139</u>	<u>360,139</u>
At 30th June 1999	<u>360,000</u>	<u>163</u>	<u>360,163</u>

Revaluation of fixed assets

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

5. DEBTORS

	2000 £	1999 £
Trade debtors	280,194	296,296
Other debtors	153,428	142,528
	<u>433,622</u>	<u>438,824</u>

6. CREDITORS: Amounts falling due within one year

	2000 £	1999 £
Corporation tax	50	580
Other taxation and social security	3,302	3,302
Other creditors	12,919	15,605
	<u>16,271</u>	<u>19,487</u>

EFEL PROCESSING LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30TH JUNE 2000

7. SHARE CAPITAL

Authorised share capital:

	2000	1999
	£	£
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid:

	2000	1999
	£	£
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.