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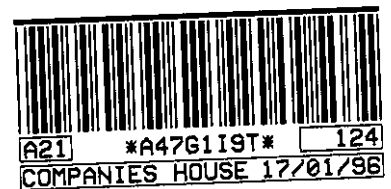
COMPANY NUMBER 1200 465

INPROJEX INTERNATIONAL (U.K.) LIMITED

Financial statements

Year ended

31 March 1995



INPROJEX INTERNATIONAL (U.K.) LIMITED

Annual report and financial statements for the year ended 31 March 1995

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DIRECTORS

G. Rime
F. Paulus
B. Abbou

SECRETARY AND REGISTERED OFFICE

B.J. Jackson
35 Old Queen Street
London
SW1

COMPANY NUMBER

1200465

AUDITORS

BDO Stoy Hayward
Willoughby House
439 Richmond Road
Nr Richmond Bridge
Middlesex
TW1 2HA

INPROJEX INTERNATIONAL (U.K.) LIMITED

DIRECTORS' REPORT

31 March 1995

The directors submit their report together with the audited financial statements for the year ended 31 March 1995.

RESULTS AND DIVIDENDS

The profit and loss account is set out on page 4 and shows the profit for the year. The directors do not recommend the payment of a dividend. The proposed transfer to reserves is £93,152.

PRINCIPAL ACTIVITIES, REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

During the year the company continued trading as exporters and importers and as U.K. agents for the parent company. The directors consider the results for the year to be satisfactory. There have been no events since the balance sheet date which materially affect the position of the company.

Since the beginning of 1995 there has been a great decline in new orders from Nigeria which is a result of the unstable political situation in Nigeria generally. The directors are hoping this will improve and, in the meantime, are trying hard to open other markets.

FIXED ASSETS

Movements in fixed assets are set out in note 7 to the financial statements.

The directors do not consider the market value of the leasehold property to be significantly different to the net book value.

DIRECTORS

The directors who served during the year were as follows:

G. Rime
F. Paulus
B. Abbou

No director has any interest in the share capital of the company.

INPROJEX INTERNATIONAL (U.K.) LIMITED

DIRECTORS' REPORT (continued)

31 March 1995

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:

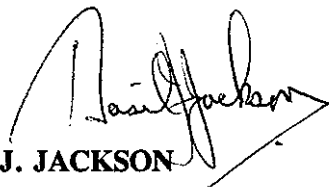
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare 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 maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act. They are 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.

AUDITORS

BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

By order of the Board



B.J. JACKSON
Secretary

11 December 1995

INPROJEX INTERNATIONAL (U.K.) LIMITED

REPORT OF THE AUDITORS

To the members of Inprojex International (U.K.) Limited

We have audited the financial statements on pages 4 to 11 which have been prepared under the accounting policies set out on pages 7 and 8.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 March 1995 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

BDO STOY HAYWARD

Chartered Accountants and Registered Auditors
RICHMOND UPON THAMES

18 December 1995

INPROJEX INTERNATIONAL (U.K.) LIMITED**PROFIT AND LOSS ACCOUNT**

Year ended 31 March 1995

		1995		1994	
	note	£	£	£	£
TURNOVER	2		3,284,069		2,848,766
Cost of sales			2,239,073		2,076,643
			<hr/>		<hr/>
GROSS PROFIT			1,044,996		772,123
Selling and distribution costs		572,851		430,397	
Administrative expenses		316,652		235,171	
		<hr/>	889,503	<hr/>	665,568
			<hr/>		<hr/>
			155,493		106,555
Other operating income	3		20,000		20,000
Exceptional loss on exchange			(91,730)		-
			<hr/>		<hr/>
OPERATING PROFIT	4		83,763		126,555
Interest receivable			43,391		24,104
			<hr/>		<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			127,154		150,659
Taxation on profit on ordinary activities	6		34,002		41,131
			<hr/>		<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION			93,152		109,528
Retained profit brought forward			313,955		204,427
			<hr/>		<hr/>
RETAINED PROFIT CARRIED FORWARD			407,107		313,955
			<hr/>		<hr/>

All amounts relate to continuing activities.

All recognised gains and losses are included in the profit and loss account.

The notes on pages 7 to 11 form part of these financial statements.

INPROJEX INTERNATIONAL (U.K.) LIMITED

BALANCE SHEET

31 March 1995

		1995	1994
	note	£	£
FIXED ASSETS			
Tangible assets	7	14,272	15,004
CURRENT ASSETS			
Stocks	8	32,003	20,379
Debtors	9	572,369	340,066
Cash at bank and in hand		1,185,638	913,505
		<u>1,790,010</u>	<u>1,273,950</u>
CREDITORS: amounts falling due within one year	10	<u>1,347,175</u>	<u>924,999</u>
NET CURRENT ASSETS		<u>442,835</u>	<u>348,951</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>457,107</u>	<u>363,955</u>
CAPITAL AND RESERVES			
Called up share capital	11	50,000	50,000
Profit and loss account		407,107	313,955
		<u>457,107</u>	<u>363,955</u>

These financial statements were approved by the board on *11 December 1995* and signed on its behalf by:



B ABBOU
Director

The notes on pages 7 to 11 form part of these financial statements.

INPROJEX INTERNATIONAL (UK) LIMITED**CASH FLOW STATEMENT**

Year ended 31 March 1995

	note	1995 £	1994 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	13	271,143	501,719
RETURNS ON INVESTMENT AND SERVICING OF FINANCE			
Interest received		43,391	24,104
TAXATION			
UK corporation tax paid		(38,532)	(35,001)
INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(3,869)	(1,525)
NET CASH INFLOW BEFORE FINANCING		<hr/> 272,133	<hr/> 489,297
Financing		-	-
INCREASE IN CASH AND CASH EQUIVALENTS	14	<hr/> 272,133 <hr/>	<hr/> 489,297 <hr/>

The notes on pages 7 to 11 form part of these financial statements.

INPROJEX INTERNATIONAL (U.K.) LIMITED

NOTES ON THE FINANCIAL STATEMENTS

31 March 1995

1 ACCOUNTING POLICIES

Basis of accounting

There have been no changes in the accounting policies during the year.

The financial statements have been prepared under the historical cost convention, and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Turnover

Turnover represents sales to outside customers at invoiced amounts.

Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all tangible fixed assets, except freehold land, over their expected useful lives. It is calculated at the following rates:

Short leasehold property and improvements to leaseholds	-	over length of leases
Fixtures, fittings and equipment	-	10% per annum
Motor vehicles	-	25% per annum
Computer equipment	-	25% per annum

Stocks

Stocks are valued at the lower of cost or net realisable value.

Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less further costs to completion and disposal.

Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are analysed between capital and interest components using the actuarial method. The interest is charged to the profit and loss account. The capital part reduces the amounts payable to the lessor.

All other leases are treated as "operating leases". Their annual rentals are charged to the profit and loss account on a straight line basis over the lease term.

INPROJEX INTERNATIONAL (U.K.) LIMITED**NOTES ON THE FINANCIAL STATEMENTS (continued)****31 March 1995****1 ACCOUNTING POLICIES (continued)****Foreign currency transactions**

Foreign currency transactions are translated at the actual rates ruling on the date of the transaction. Balances held at the year end are translated at the rate as at 31 March 1995. All exchange gains or losses are dealt with through the profit and loss account.

2 TURNOVER AND PROFIT

The turnover and profit before tax is attributable to the company's principal activity and derived from sales in:

	1995 £	1994 £
Africa	3,274,020	2,649,715
Asia	10,049	196,761
North America	-	2,290
	<u>3,284,069</u>	<u>2,848,766</u>

3 OTHER OPERATING INCOME

Fees receivable from holding company	20,000	20,000
	<u>20,000</u>	<u>20,000</u>

4 OPERATING PROFIT

Is stated after charging:

Depreciation:

- leased assets	-	490
- own assets	4,601	6,403
Auditors' remuneration	7,139	9,500
Directors' emoluments	44,935	45,519
	<u>56,675</u>	<u>61,912</u>

5 EMPLOYEES

Staff costs (excluding directors) consist of:

Wages and salaries	86,159	81,289
Social security costs	8,785	8,346
	<u>94,944</u>	<u>89,635</u>

The average weekly number of employees during the year was 5 (1994: 5).

INPROJEX INTERNATIONAL (U.K.) LIMITED

NOTES ON THE FINANCIAL STATEMENTS (continued)

31 March 1995

6	TAXATION	1995	1994
		£	£
	UK corporation tax at 25% based on the profit for the year	33,688	41,131
	Adjustment in respect of previous years:		
	Corporation tax	314	-
		<u>34,002</u>	<u>41,131</u>

7

TANGIBLE FIXED ASSETS					
Cost	Short leasehold property £	Fixtures, fittings and equipment £	Motor vehicles £	Computer equipment £	Total £
At 1 April 1994	5,999	33,264	18,847	13,034	71,144
Additions	-	-	-	3,869	3,869
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 1995	5,999	33,264	18,847	16,903	75,013
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
At 1 April 1994	3,376	22,001	18,847	11,916	56,140
Charge for the year	308	3,326	-	967	4,601
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 1995	3,684	25,327	18,847	12,883	60,741
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value					
At 31 March 1995	2,315	7,937	-	4,020	14,272
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 1994	2,623	11,263	-	1,118	15,004
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

INPROJEX INTERNATIONAL (U.K.) LIMITED**NOTES ON THE FINANCIAL STATEMENTS (continued)**
31 March 1995

8	STOCKS	1995	1994
		£	£
	Finished goods and goods held for resale	32,003	20,379
		<u> </u>	<u> </u>
	The replacement value of stock is not significantly different from cost.		
9	DEBTORS	1995	1994
	Amounts receivable within one year:	£	£
	Trade debtors	563,819	331,437
	Amount due from parent undertaking	2,212	-
	Other debtors and prepayments	6,338	8,629
		<u> </u>	<u> </u>
		572,369	340,066
		<u> </u>	<u> </u>
10	CREDITORS		
	Amounts falling due within one year:		
	Trade creditors	915,541	306,154
	Corporation tax	36,601	41,131
	Amount due to parent undertaking	-	53,873
	Other creditors	373,904	502,248
	Accruals and deferred income	21,129	21,593
		<u> </u>	<u> </u>
		1,347,175	924,999
		<u> </u>	<u> </u>
11	SHARE CAPITAL		
	Authorised		
	50,000 ordinary shares of £1 each	50,000	50,000
		<u> </u>	<u> </u>
	Allotted, called up and fully paid		
	50,000 ordinary shares of £1 each	50,000	50,000
		<u> </u>	<u> </u>
12	COMMITMENTS UNDER OPERATING LEASES		

As at 31 March 1995 the company had annual commitments under non-cancellable operating leases for land and buildings of £15,000 (1994: £15,000) expiring in more than five years.

INPROJEX INTERNATIONAL (U.K.) LIMITED

NOTES ON THE FINANCIAL STATEMENTS (continued)

31 March 1995

13	RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES	1995 £	1994 £
	Operating profit	83,763	126,555
	Depreciation charges	4,601	6,893
	(Increase)/decrease in stocks	(11,624)	338,568
	Increase in debtors	(230,091)	(159,679)
	Increase in creditors	480,579	155,252
	(Decrease)/increase in amounts due to parent company	(56,085)	29,130
		<hr/>	<hr/>
	Net cash inflow from operating activities	271,143	501,719
		<hr/>	<hr/>
14	ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS	Cash at bank 1995 £	1994 £
	Balance at 1 April 1994	913,505	424,208
	Net cash inflow	272,133	489,297
		<hr/>	<hr/>
	Balance at 31 March 1995	1,185,638	913,505
		<hr/>	<hr/>
15	ULTIMATE PARENT COMPANY		

The ultimate parent company is Inprojex - Establishment - Industrial Projects and Export Promotion, which is incorporated in Liechtenstein.