

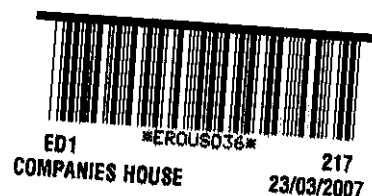
E LEVY & CO (ELCO) LIMITED

YEAR ENDED 31 MAY 2006

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E LEVY & CO (ELCO) LIMITED

YEAR ENDED 31 MAY 2006

General Company Information

COMPANY REGISTERED NUMBER

1482985 (ENGLAND & WALES)

REGISTERED OFFICE

**FINCHLEY HOUSE
707 HIGH ROAD
LONDON N12 0BT**

DIRECTORS

**MR E LEVY
MRS S LEVY**

SECRETARY

MRS S LEVY

ACCOUNTANTS

**SEYMOUR COOPER & COMPANY
CHARTERED CERTIFIED ACCOUNTANTS
FINCHLEY HOUSE
707 HIGH ROAD
LONDON N12 0BT**

PRINCIPAL BANKERS

FIBI BANK UK PLC

E LEVY & CO (ELCO) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2006

The directors present their Report and the Financial Statements for the year ended 31 May 2006:

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 to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review continued to be that of wholesaling, retailing and servicing of electrical goods and equipment.

DIRECTORS

The directors who served during the year and their beneficial interests in the company's issued ordinary share capital were:

	1.6.05	31.5.06
Mr E Levy	51	51
Mrs S Levy	49	49

CONTROL OF THE COMPANY

Control of the company is exercised by Mr E Levy by virtue of his holding of 51 shares out of the 100 ordinary £1 shares in the issued share capital of the company.

This Report, which has been prepared taking advantage of special exemptions applicable to small companies, was approved by the Board on the 16 March 2007 and signed on its behalf.


E LEVY, Director

E LEVY & CO (ELCO) LIMITED

ACCOUNTANTS' REPORT FOR THE YEAR ENDED 31 MAY 2006

We report on the accounts for the year ended 31 May 2006 set out on pages 4 to 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANTS

As described on page 2, the company's directors are responsible for the preparation of the accounts. 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 accounts with the 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 accounts 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 accounts have been drawn up in a manner consistent with the requirements specified in Section 249C(6) of the Act and (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in Section 249A(4) of the Act and did not, at any time within that period, fall within any of the categories of companies not entitled to the exemption specified in Section 249B(1).



SEYMOUR COOPER & COMPANY
Chartered Certified Accountants
FINCHLEY HOUSE
707 HIGH ROAD
LONDON N12 0BT

16 March 2007

E LEVY & CO (ELCO) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MAY 2006

	<u>Notes</u>	<u>2005</u>	<u>2006</u>
TURNOVER	1(b) & 2	1,728,629	1,975,042
Cost of Sales		<u>1,445,448</u>	<u>1,683,354</u>
GROSS PROFIT		283,181	291,688
Administrative Expenses		(222,327)	(212,632)
Interest Payable	4	<u>(18,454)</u>	<u>(27,150)</u>
OPERATING PROFIT	3	42,400	51,906
Interest Receivable		<u>1,192</u>	<u>1,199</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		43,592	53,105
TAXATION ON PROFITS ON ORDINARY ACTIVITIES	5	<u>7,500</u>	<u>11,000</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		36,092	42,105
Dividends		<u>25,000</u>	<u>25,000</u>
RETAINED PROFIT FOR YEAR		11,092	17,105
RETAINED PROFIT BROUGHT FWD		<u>26,534</u>	<u>37,626</u>
RETAINED PROFIT CARRIED FWD		<u>£37,626</u>	<u>£54,731</u>

There were no recognised gains or losses for the years ended 31 May 2005 and 31 May 2006 other than those included in the Profit and Loss Account.

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

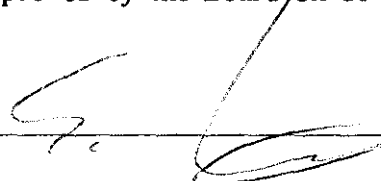
E LEVY & CO (ELCO) LIMITED

BALANCE SHEET AS AT 31 MAY 2006

	<u>Notes</u>	<u>2005</u>	<u>2006</u>
FIXED ASSETS			
Tangible Assets	1(c) & 7	41,002	31,198
CURRENT ASSETS			
Stock	1(d)	582,780	620,368
Debtors	8	93,885	15,455
		<u>676,665</u>	<u>635,823</u>
CREDITORS			
Amounts falling due within one year	9	<u>679,941</u>	<u>612,190</u>
NET CURRENT LIABILITIES		<u>(3,276)</u>	<u>23,633</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£37,726</u>	<u>£54,831</u>
		<u>=====</u>	<u>=====</u>
CAPITAL AND RESERVES			
Called-up Share Capital	10	100	100
Profit and Loss Account		<u>37,626</u>	<u>54,731</u>
SHAREHOLDERS' FUNDS		<u>£37,726</u>	<u>£54,831</u>
		<u>=====</u>	<u>=====</u>

For the financial year ended 31 May 2006, the company was entitled to exemption from audit under Section 249A(1) of the Companies Act 1985, no notice having been deposited under Section 249B(2). The directors recognise their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Act preparing accounts which give a true and fair view of the state of affairs of the company at the end of the 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 Companies Act 1985, so far as applicable to the company.

The accounts were approved by the Board on 16 March 2007 and signed on its behalf.


 E LEVY, Director

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

E LEVY & CO (ELCO) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2006

1 ACCOUNTING POLICIES

- (a) **Basis of Preparation of Accounts:** the financial statements are prepared under the historical cost convention and include the results of the company's operations as indicated in the Directors' Report, and all of which are continuing.
- (b) **Turnover:** turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.
- (c) **Tangible Fixed Assets and Depreciation:** tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of the assets, less their estimated realisable value, over their expected use ful lives on the following bases:
- Leasehold property and improvements - over term of lease
Fixtures and fittings - 10% of reducing balance
Motor vehicles - 25% of reducing balance
- (d) **Stock:** stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving items.
- (e) **Foreign Currencies:** assets and liabilities in foreign currencies are converted into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are converted into sterling at the rates of exchange ruling at the dates of the transactions.

2 TURNOVER

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

3 OPERATING PROFIT

The Operating Profit is stated after charging:

	<u>2005</u>	<u>2006</u>
Depreciation of assets owned by the company	11,280	9,804
Directors' remuneration	--	--
	<hr/>	<hr/>

E LEVY & CO (ELCO) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2006 (CONTINUED)

4 INTEREST PAYABLE

The interest payable represents the interest on the company's bank loans and overdrafts.

5 TAXATION

There is a provision for United Kingdom Corporation Tax of £11,000 based on these accounts. (2005 - £7,500).

6 DIVIDENDS

The amount voted for the year was £25,000. (2005 - £25,000).

7 TANGIBLE FIXED ASSETS

	<u>Leasehold</u>	<u>Improvements</u>	<u>Fixtures</u>	<u>Motor</u>	<u>Total</u>
Cost at 1.6.05	8,663	46,764	36,283	62,451	154,161
Addns/Disposals	--	--	--	--	--
As at 31.5.06	8,663	46,764	36,283	62,451	154,161
Depreciation:					
As at 1.6.05	8,663	32,789	25,548	46,159	113,159
Charge for year	--	4,658	1,073	4,073	9,804
As at 31.5.06	8,663	37,447	26,621	50,232	122,963
Net Book Values:					
31.5.05	--	13,975	10,735	16,292	41,002
31.5.06	--	9,317	9,662	12,219	31,198

8 DEBTORS

Amounts falling due within one year

	<u>2005</u>	<u>2006</u>
Trade Debtors	64,224	3,205
Prepayments	2,574	5,550
Directors' Current Account	21,570	6,700
VAT	5,517	--
	<u>93,885</u>	<u>15,455</u>

E LEVY & CO (ELCO) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2006 (CONTINUED)

9 CREDITORS

	<u>2005</u>	<u>2006</u>
Amounts falling due within one year:		
Net Bank Balances	344,808	344,232
Trade Creditors	242,796	220,404
PAYE and National Insurance	16,819	19,176
Corporation Tax	35,518	19,583
Expense Creditors and Accruals	40,000	3,750
VAT	—	5,045
	<u>679,941</u>	<u>612,190</u>

10 CALLED-UP SHARE CAPITAL

Ordinary Shares of £1 each Issued and Fully Paid (Authorised £1,000)	<u>100</u>	<u>100</u>
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11 MOVEMENT IN SHAREHOLDERS' FUNDS

Profit for Year	36,092	42,105
Opening Shareholders' Funds	26,634	37,726
	<u>62,726</u>	<u>79,831</u>
Dividends	25,000	25,000
	<u>37,726</u>	<u>54,831</u>
Closing Shareholders' Funds		

12 CONTINGENT LIABILITIES

There were no contingent liabilities existing at the balance sheet date.
(2005 - None).

13 CAPITAL COMMITMENTS

No contracts for future capital expenditure had been authorised or entered into
as at the balance sheet date. (2005 - None).