

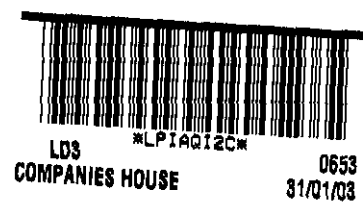
Company number: 2606848

**KILDA INVESTMENTS LIMITED**

**DIRECTOR'S REPORT AND**

**FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2002**



**KILDA INVESTMENTS LIMITED****DIRECTOR**

A.S. Bromovsky

**SECRETARY AND REGISTERED OFFICE**

Cornhill Secretaries Limited,  
St. Paul's House, Warwick Lane, London EC4P 4BN.

**ACCOUNTANTS**

Moore Stephens,  
St. Paul's House, Warwick Lane, London EC4P 4BN.

**REPORT OF THE DIRECTOR**

The director presents his report and financial statements for the year ended 31 March 2002.

**PRINCIPAL ACTIVITIES**

The principal activity of the company is the provision of finance advisory services in Europe.

**REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS**

The company undertook few mandates in the year and the income from these did not cover the overheads of the business so there was a loss for the year overall. A number of new projects are currently being developed will see regular income in the current year. Fixed costs have been pared back to the minimum necessary to allow the company to continue to operate.

**RESULTS AND DIVIDENDS**

The loss for the year amounted to £40,848 (2001: Loss £55,523) which is taken to reserves. The director is unable to recommend the payment of a dividend.

**DIRECTOR**

Mr. A.S. Bromovsky was the sole director who held office during the year ended 31 March 2002.

**DIRECTOR'S INTERESTS**

Mr. A. S. Bromovsky had no direct interest in the shares of Kilda Investments Limited during the year ended 31 March 2002. Through Rock Nominees Limited, Mr. A.S. Bromovsky is interested in 4,900 (2001 : 4,900) class A ordinary shares of Kilda Holdings Limited, the ultimate parent company.

**REPORT OF THE DIRECTOR (cont'd)****STATEMENT OF 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 and of the profit or loss of the company for that year. In preparing those financial statements, the director is 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; and
- 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 maintaining 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. He 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.

By Order of the Board

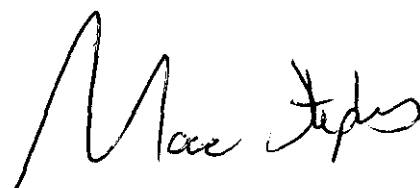
A handwritten signature in black ink, appearing to read 'A. S. Bromovsky', written in a cursive style.

A. S. Bromovsky  
Director

**ACCOUNTANTS' REPORT TO THE SHAREHOLDER ON  
THE UNAUDITED FINANCIAL STATEMENTS OF  
KILDA INVESTMENTS LIMITED**

As described in the report of the director you are responsible for the preparation of the accounts for the year ended 31 March 2002 set out on pages 4 to 10, and you consider that the company is exempt from an audit under the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited accounts, in order to assist you to fulfil your statutory responsibilities, from the accounting records and explanations supplied to us.

St. Paul's House  
Warwick Lane  
London EC4P 4BN

A handwritten signature in dark ink, appearing to read 'Mac Stephens', is written over the printed name of the firm.

MOORE STEPHENS  
Chartered Accountants

Date: 31 July 2002

## KILDA INVESTMENTS LIMITED

**Profit and Loss Account**  
**for the year ended 31 March 2002**

	Note	Year ended 31 March 2002 £	Year ended 31 March 2001 £
Turnover	1(b),2	4,620	8,677
Cost of Sales		-	(4,991)
Gross profit		4,620	3,686
Administrative expenses		(20,820)	(56,038)
Operating loss		(16,200)	(52,352)
Interest payable and similar charges	3	(1,257)	(3,171)
Loss on ordinary activities before taxation	4	(17,457)	(55,523)
Taxation on loss on ordinary activities	4	-	-
Loss on ordinary activities after taxation		(17,457)	(55,523)
Amounts written off investments		(23,391)	-
		(40,848)	(55,523)
Accumulated losses brought forward		(441,801)	(386,278)
Accumulated losses carried forward		£(482,649)	£(441,801)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains or losses other than those passing through the profit and loss account.

## KILDA INVESTMENTS LIMITED

## Balance Sheet at 31 March 2002

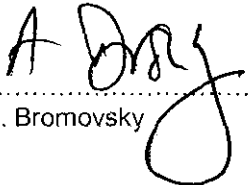
	Note	31 March 2002 £	31 March 2001 £
<b>Fixed assets</b>			
Tangible assets	6	2,634	3,841
		<u>2,634</u>	<u>3,841</u>
<b>Current assets</b>			
Investment	7	40,500	63,891
Debtors	8	1,500	6,913
Cash at bank		119	-
		<u>42,119</u>	<u>70,804</u>
<b>Creditors: amounts falling due within one year</b>	9	(85,514)	(74,558)
<b>Net current liabilities</b>		<u>(43,395)</u>	<u>(3,754)</u>
<b>Total assets less current liabilities</b>		<u>£(40,761)</u>	<u>£87</u>
<b>Capital and reserves</b>			
Called up share capital	10	359,731	359,731
Share premium	11	82,157	82,157
Profit and loss account		(482,649)	(441,801)
<b>Shareholder's funds (equity interests)</b>	12	<u>£(40,761)</u>	<u>£87</u>

In preparing these financial statements:

- (a) The director is of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The director acknowledges his responsibilities for;
  - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, 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 this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The Financial Statements were approved by the Director on 31 July 2002.

  
 .....  
 A. S. Bromovsky

# KILDA INVESTMENTS LIMITED

## Notes to the Financial Statements For the year ended 31 March 2002

### 1. Principal accounting policies

#### a) Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards. They have also been prepared on a going concern basis which in the opinion of the Director is valid.

#### b) Turnover

Turnover represents income from consultancy and investment advice and recharged expenses, net of Value Added Tax.

#### c) Depreciation

Depreciation is calculated in order to write off each asset over its estimated useful economic life at the following rate:-

Office equipment - 25% per annum straight line

#### d) Pensions

All pension costs relate to defined contribution schemes.

#### e) Foreign currency

Transactions denominated in foreign currencies are translated at rates ruling at the time of those transactions. Foreign currency assets and liabilities are converted into pounds sterling at the rate ruling at the balance sheet date. All exchange differences are dealt with in the profit and loss account.

### 2. Turnover

All the company's turnover derives from activities in Europe.

### 3. Interest payable

	Year to 31 March 2002	Year to 31 March 2001
Interest on bank overdraft	£1,257	£3,171
	<hr/>	<hr/>

## KILDA INVESTMENTS LIMITED

Notes to the Financial Statements  
For the year ended 31 March 2002**4. Loss on ordinary activities before and after taxation**

The loss on ordinary activities before taxation is stated after charging:-

	Year to 31 March 2002	Year to 31 March 2001
Depreciation	£2,343	£1,773
	<u>          </u>	<u>          </u>

There is no taxation for the year due to the availability of losses.

**5. Staff costs**

	Year to 31 March 2002 £	Year to 31 March 2001 £
<b>Director's remuneration</b>		
Total remuneration paid during the year including pension and other benefits	-	£3,549
	<u>          </u>	<u>          </u>
<b>Staff salaries and wages</b>		
The aggregate payroll costs were as follows:		
Wages and salaries	-	5,764
Social security costs	-	524
Pension costs	-	3,119
	<u>          </u>	<u>          </u>
	-	£9,407
	<u>          </u>	<u>          </u>

The average number of employees (including the director) during the year to 31 March 2002 was 1 (2001:1).



## KILDA INVESTMENTS LIMITED

Notes to the Financial Statements  
For the year ended 31 March 2002

## 6. Tangible fixed assets

	Office Equipment £
Cost :	
At 1 April 2001	9,166
Additions	1,136
	<hr/>
At 31 March 2002	£10,302
	<hr/>
Depreciation :	
At 1 April 2001	5,325
Charge for the year	2,343
	<hr/>
At 31 March 2002	£7,668
	<hr/>
Net book value:	
At 31 March 2002	£2,634
	<hr/>
At 31 March 2001	£3,841
	<hr/>

## 7. Current asset investments

The current asset investment represents 38,194 £1 ordinary shares and 22,000 'A' 10p ordinary shares in The Royal Tokaji Wine Company (Hungary) Limited costing £63,891 (2001: £63,891). The shares were written down to £40,500 in the year ended 31 March 2002.

## 8. Debtors

	2002 £	2001 £
Trade debtors	1,500	1,100
Other debtors	-	4,865
Prepayments and accrued income	-	948
	<hr/>	<hr/>
	£ 1,500	£6,913
	<hr/>	<hr/>

## KILDA INVESTMENTS LIMITED

Notes to the Financial Statements  
For the year ended 31 March 20029. Creditors: amounts falling due  
within one year

	2002 £	2001 £
Bank overdraft	-	26,934
Trade creditors	-	9,416
Other creditors	79,362	33,810
Accruals and deferred income	6,152	4,400
	<u>£85,514</u>	<u>£74,560</u>

Within the creditors is a loan from the director amounting to £77,541 (2001: £33,809) which is interest free and repayable on demand as and when the financial resources of the company permit.

## 10. Called-up share capital

	2002 £	2001 £
<b>Authorised</b>		
10,000 Ordinary shares of £1 each	10,000	10,000
350,000 Preference shares of £1 each	350,000	350,000
	<u>£360,000</u>	<u>£360,000</u>
<b>Allotted, called up and fully paid</b>		
9,731 Ordinary shares of £1 each	9,731	9,731
350,000 Preference shares of £1 each	350,000	350,000
	<u>£359,731</u>	<u>£359,731</u>

The preference shares attract a cumulative dividend equal to LIBOR plus 3% on the paid up value of the shares. Upon the winding up of the company the preference shareholders are entitled to the paid up amount on each preference share held and any outstanding dividends. The preference shares carry no voting rights. The shares are redeemable by the company at par value with one month's notice in writing.

The preference shares represent a non-equity interest.

## 11. Share premium

	2002 £	2001 £
Premium on shares issued	<u>£82,157</u>	<u>£82,157</u>

**KILDA INVESTMENTS LIMITED**

**Notes to the Financial Statements  
For the year ended 31 March 2002**

**12. Reconciliation of movements in shareholder's funds**

	2002 £	2001 £
Loss for the year	(40,848)	(55,523)
Issue of shares	-	20,000
Opening shareholder's funds	87	35,610
	<hr/>	<hr/>
Closing shareholder's funds	£(40,761)	£87
	<hr/>	<hr/>

All shareholder's funds are attributable to non-equity interests.

**13. Ultimate controlling party and related party transactions**

In the opinion of the Director, the immediate controlling party is Kilda Holdings Limited, a company registered in England and Wales. Full details of any related party transactions are provided in the accounts of that company.