

Co Reg No: 2743034

PROGRESS INDUSTRIES LIMITED
DIRECTORS' REPORT AND ACCOUNTS

31 March 1999



PROGRESS INDUSTRIES LIMITED

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Director's Report

The directors submit their report and accounts for the year ended 31 March 1999. On 17 May 1999 the company changed its name from Progress Investments Limited to Progress Industries Limited. The company commenced to trade on 1 July 1998.

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 result 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 judgments and estimates that are reasonable and prudent and 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.

RESULTS AND DIVIDENDS

The profit on ordinary activities for the year, after taxation, amounted to £120,492 (1998: nil). The directors do not recommend the payment of a dividend nor any transfer to reserves.

REVIEW OF THE BUSINESS

The company's principal activity during the period was consultancy. The company invested £1,224 in acquiring shares in an Indian company. Unfortunately, it became insolvent. The cost has been written off. The directors are now concentrating on maximising commission receivable.

DIRECTORS AND THEIR INTERESTS

The directors at 31 March 1999 who served throughout the year and their interests in the share capital of the company were as follows:-

	At 31.3.99	At 31.3.98
	Ord shares	Ord shares
Nirmal K Sethia - non-beneficial joint holding (resigned 23.11.98)	2,500	2,500
Mrs C D Sethia - non-beneficial joint holding	2,500	2,500
A K Pyne	-	-
R R Sethia	-	-

This report has been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985

By Order of the Board

A K PYNE

Secretary

Dated: 15 October 1999

PROGRESS INDUSTRIES LIMITED**2**

Profit and loss account
for the year ended 31 March 1999

	1999	1998
	£	£
TURNOVER (note 2)	177,985	-
Net operating expenses (note 3)	(1,588)	-
	<hr/>	<hr/>
OPERATING PROFIT	176,397	-
Amounts written off investments	(1,224)	-
Interest receivable and similar income	3	-
	<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	175,176	-
Tax on profit on ordinary activities (note 4)	(54,684)	-
	<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	120,492	-
RETAINED PROFIT brought forward	-	-
	<hr/>	<hr/>
RETAINED PROFIT carried forward	£120,492	-
	<hr/>	<hr/>

The notes on pages 4 and 5 form part of these accounts.

PROGRESS INDUSTRIES LIMITED**3****Balance sheet
at 31 March 1999**

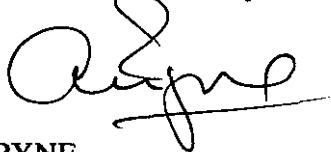
	1999	1998
	£	£
CURRENT ASSETS		
Debtors (note 6)	128,518	2,230
Cash at bank	50,746	270
	<u>179,264</u>	<u>2,500</u>
CREDITORS: amounts falling due within one year (note 7)	<u>56,272</u>	<u>-</u>
NET CURRENT ASSETS	<u>£122,992</u>	<u>£2,500</u>
 CAPITAL AND RESERVES (all equity interests)		
Called up share capital (note 8)	2,500	2,500
Profit and loss account	120,492	-
	<u>£122,992</u>	<u>£2,500</u>

In the directors' opinion the company was entitled under section 249A(1) of the Companies Act 1985 to exemption from the audit of its accounts for the year ended 31 March 1999. No member of the company has deposited a notice under section 249B(2) requiring an audit of these accounts.

The directors are responsible for ensuring that the company keeps accounting records which comply with section 221 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of each year in accordance with the requirements of section 226 of the Act and which otherwise comply with its requirements so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities.

Approved by the Board on 15 October 1999
and signed on its behalf by



Director

A. K. PYNE

The notes on pages 5 and 6 form part of these accounts.

Notes to the accounts
at 31 March 1999

1 ACCOUNTING POLICIES

Accounting convention:

The accounts are prepared under the historical cost convention and the Financial Reporting Standard for Smaller Entities. (effective March 1999)

Cash flow statement:

The company is not required to produce a cash flow statement as it is a small company as defined by section 247 of the Companies Act 1985.

Foreign Currencies:

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the average rate for the year. Differences in currency transactions are taken to trading account and translation differences on monetary items are taken to trading and profit and loss account.

2 TURNOVER

Turnover represents consultancy commission.

3	NET OPERATING EXPENSES	1999	1998
		£	£
	Administrative expenses	<u>1,588</u>	<u>-</u>

4	TAXATION	1999	1998
		£	£
	UK corporation tax 31%	<u>£54,684</u>	<u>-</u>

5	INVESTMENT	1999	1998
		£	£
	Addition at cost	1,224	-
	Less: Amount written off	1,224	-
		<u>-</u>	<u>-</u>

PROGRESS INDUSTRIES LIMITED**5**

Notes to the accounts
at 31 March 1999 (continued)

6	DEBTORS	1999	1998
		£	£
	Other debtors	100,899	-
	Prepayments and accrued income	27,619	-
		<u>£128,518</u>	<u>£-</u>

7	CREDITORS: amounts falling due within one year	1999	1998
		£	£
	Corporation tax	54,684	-
	Accruals and deferred income	1,588	-
		<u>£56,272</u>	<u>£-</u>

8	SHARE CAPITAL	Authorised	Allotted, called up and fully paid
		1999	1998
		No.	No.
		£	£
	Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
		<u>2,500</u>	<u>2,500</u>

9 RELATED PARTY TRANSACTIONS

At the year end the company was owed £100,899 by Sethia London Ltd., a company controlled by Nirmal K. Sethia and Mrs C. D. Sethia

This page does not form part of the statutory accounts of the company