

Company No: 2774563

EUROBOND INVESTMENTS LIMITED

FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 1994

Edwards & Co.
Chartered Accountants
Sceptre House
169/173 Regent Street
London W1R 7FB

Registered Office
Caprice House
3 New Burlington Street
London W1X 1FE

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EUROBOND INVESTMENTS LIMITED

DIRECTORS REPORT

The Directors submit their report and the audited financial statements for the year ended 31st December 1994.

ACTIVITIES

The principal activity of the company is the provision of fiduciary services.

STATE OF AFFAIRS AND FUTURE DEVELOPMENT

The state of the company's affairs is as set out on page 5 of the financial statements. The directors expect the present level of activity to increase in the foreseeable future.

DIRECTORS AND SECRETARY

The directors who served during the year were:

	<u>Appointed</u>	<u>Resigned</u>
C Thury	03.03.93	-
L Tellier	03.03.93	05.01.95
B Voellmin	03.03.93	05.01.95
I M Gognuz	05.01.95	-
S Frei	05.01.95	-

The directors had no interest in the share capital of the company as defined by the Companies Act 1985.

The Company Secretary who served during the year was Sceptre Consultants Limited, Sceptre House, 169/173 Regent Street, London W1R 7FB.

DIRECTORS RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the accounts, the directors are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts 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 the reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts 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.

EUROBOND INVESTMENTS LIMITED

DIRECTORS REPORT

RESULTS AND DIVIDENDS

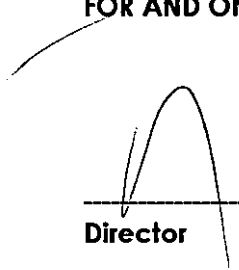
The company's result for the year was a loss after taxation of £ 1,476 (1993 - loss of £ 6,640).

The directors do not recommend the payment of a dividend (1993 - nil).

AUDITORS

Messrs. Edwards & Co. have expressed their willingness to continue in office in accordance with Section 384(1) of the Companies Act 1985 and a resolution proposing their re-appointment will be presented at the Annual General Meeting.

FOR AND ON BEHALF OF THE BOARD



Director

EDWARDS & CO.

CHARTERED ACCOUNTANTS
REGISTERED AUDITORS

PARTNERS:

A. SARIKHANI, B.Sc., F.C.A.
M.J. WICKERS, LL.B., A.C.A.
G.P. LEASK, A.C.A., A.T.I.I.
D.F. LAVIN
D.A. MANSEER, B.A. (Econ.), A.C.A.
G.C.W. MacRAE, LL.B., A.C.A.

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169/173 Regent Street,
London W1R 7FB.
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EUROBOND INVESTMENTS LIMITED

REPORT OF THE AUDITORS TO THE MEMBERS

We have audited the accounts on pages 5 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1, the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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, except that the scope of our work was limited as explained below. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements by the directors in the preparation of the accounts, 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 explanation which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error.

However, the evidence available to us was limited because we were unable to obtain independent confirmation of the bank accounts and related information and have relied solely on bank statements provided to us to confirm bank balances held by the company. There were no other satisfactory audit procedures that we could adopt to confirm this amount.

In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the accounts.



OPINION

Except for any adjustments or additional disclosures that may have been found to be necessary had we obtained independent verification of the company's bank balance, in our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st December 1994 and of its results for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

In respect alone of this limitation on our work relating to the above we have not obtained all the information and explanations that we consider necessary for the purposes of this audit.

Edwards & Co.

EDWARDS & CO.

Chartered Accountants

Registered Auditors

Date 25.9.95

EUROBOND INVESTMENTS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 1994

	Notes	1994 £	1993 £
Turnover	2	3,211	3,341
Cost of sales		-	-
Gross profit		3,211	3,341
Administrative expenses		(5,689)	(9,649)
Operating loss	3	(2,478)	(6,308)
Interest receivable and similar income	4	1,002	-
Interest payable and similar charges	5	-	(332)
Loss on ordinary activities before taxation		(1,476)	(6,640)
Taxation	6	-	-
Loss for the financial year		(1,476)	(6,640)
Balance brought forward		(6,640)	-
Balance carried forward		£ (8,116) =====	£ (6,640) =====

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit or loss for the above two financial years.

The attached notes form part of these financial statements.

EUROBOND INVESTMENTS LIMITED

BALANCE SHEET

AS AT 31ST DECEMBER 1994

	Notes	1994 £	1993 £
CURRENT ASSETS			
Debtors	8	3,640	83
Cash at bank and in hand		65,517	4,236
		<u>69,157</u>	<u>4,319</u>
CREDITORS: Amounts falling due within one year	9	(76,273)	(9,959)
NET CURRENT LIABILITIES		<u>£ (7,116)</u> =====	<u>£ (5,640)</u> =====
CAPITAL AND RESERVES			
Called up share capital	10	1,000	1,000
Profit and loss account		(8,116)	(6,640)
		<u>£ (7,116)</u> =====	<u>£ (5,640)</u> =====

Director

Date 28/9/95

The attached notes form part of these financial statements.

EUROBOND INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS

AS AT 31ST DECEMBER 1994

1. ACCOUNTING POLICIES

a. Accounting Convention

The financial statements have been prepared in accordance with the historical cost convention and in accordance with applicable accounting standards.

b. Cash Flow

The financial statements do not include a cash flow statement because the company as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash Flow Statements".

c. Foreign Currencies

The company's accounting records are maintained in Pounds Sterling.

Transactions in other currencies are converted at the rate ruling at the date of the transaction. Monetary assets and liabilities are converted at the rate of exchange ruling at the balance sheet date. Any material gains or losses resulting from the conversion are taken to the profit and loss account.

d. Deferred Tax

Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is probable that a liability or asset will crystallise. Provision is made at the rate which is expected to be applied when the tax liability or asset is expected to crystallise.

2. TURNOVER

Turnover represents amounts invoiced to customers in respect of goods and services supplied net of value added tax.

3. OPERATING LOSS

Operating loss is stated after charging

	1994 £	1993 £
Formation fees	-	450
Auditors remuneration	520	3,133
	=====	=====

EUROBOND INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS

AS AT 31ST DECEMBER 1994

4. DIRECTORS AND EMPLOYEES

The average number of persons (including directors) employed by the company during the year was three. The directors were the only employees employed by the company during the year. The directors received no emoluments from the company during the year.

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	1994	1993
	£	£
Bank interest received	869	-
Profit on exchange	133	-
	<hr/>	<hr/>
	£ 1,002	£ -
	<hr/> <hr/>	<hr/> <hr/>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	1994	1993
	£	£
Bank charges	-	332
	<hr/>	<hr/>
	<hr/> <hr/>	<hr/> <hr/>

7. TAXATION

Corporation tax has not been provided in view of the company's tax allowable losses during the year.

8. DEBTORS

	1994	1993
	£	£
Trade debtors	3,211	-
Other debtors	429	83
	<hr/>	<hr/>
	£ 3,640	£ 83
	<hr/> <hr/>	<hr/> <hr/>

EUROBOND INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS

AS AT 31ST DECEMBER 1994

9. **CREDITORS:** Amounts falling due
within one year:-

	1994	1993
	£	£
Shareholders loan	73,303	6,671
Accruals and deferred income	2,970	3,288
	<hr/>	<hr/>
	£ 76,273	£ 9,959
	=====	=====

10. **SHARE CAPITAL**

The authorised share capital of the company comprises 1,000 shares at £1 each, all of which have been issued and are fully paid (1993 -1,000).

11. **CAPITAL COMMITMENTS**

There were no major capital commitments at the balance sheet date.

12. **CONTINGENT LIABILITIES**

There were no major contingent liabilities at the balance sheet date.