

PACIFIC MANUFACTURING (UK) LIMITED

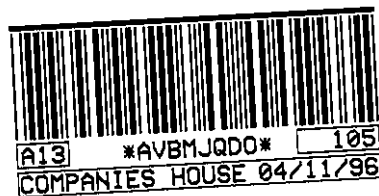
REPORT AND ACCOUNTS

COMPANY NUMBER: 2784764

FOR THE YEAR ENDED 31ST MARCH 1996

FAIRMAN LAW

Certified Accountants
300 Kingston Road
London
SW20 8LX



PACIFIC MAUFACTURING (UK) LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST MARCH 1996

Directors

J RAMOS
N SYED (Appointed 01.08.95)

The Directors present their report and Accounts for the year ended 31st March 1996.

RESULTS AND DIVIDENDS

The trading loss on ordinary activities after Taxation for the year was £18,570.

The Directors do not recommend the payment of a dividend for the year ended 31st March 1996.

REVIEW OF THE BUSINESS

The company's principal activity during the year was that of exporting Chemicals and commodities from Europe to Zaire and Rwanda (Africa).

Turnover for the year was £6,731,256. The Directors do not expect an improvement to this figure in the current year.

There have been no events since the balance sheet date which materially effect the position of the company.

FIXED ASSETS

Any changes in the fixed assets during the year are shown in note 6.

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year, the company made no political contributions or charitable donations.

PACIFIC MANUFACTURING (UK) LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST MARCH 1996

(Continued)

STATEMENT OF DIRECTORS RESPONSIBILITIES

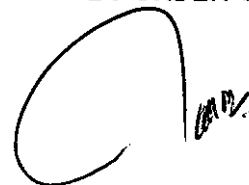
The directors are required by law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss, total recognised gains or losses and cash flows of the company for that year. The directors confirm that appropriate accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made, in the preparation of the financial statements for the year ended 31st March 1996. The directors also confirm their responsibility to 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 adequate records, for safeguarding the assets of the company, and for taking reasonable steps to prevent and detect fraud and other irregularities.

AUDITORS

A resolution to re-appoint the Auditors Messrs. Fairman Law, will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD

A large, stylized handwritten signature in black ink, appearing to be 'N SYED'.

N SYED
(Secretary)

Dated this the...28th Day of October 1996

**REPORT OF THE AUDITORS
TO THE MEMBERS OF
PACIFIC MANUFACTURING (UK) LIMITED**

We have audited the financial statements on pages 4 to 8. Which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 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 and 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 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

The financial statements have been prepared on a going concern basis. At 31st March 1996 total liabilities exceeded total assets by £25,213. The shareholders have undertaken to support the company.

In our opinion the financial statements, give a true and fair view of the state of the Company's affairs at 31st March 1996 and of its results for the year then ended and have been prepared in accordance with the Companies Act, 1985.

Fairman Law

FAIRMAN LAW

300 Kingston Road
London
SW20 8LX

Certified Accountants
and
Registered Auditor

Dated this the...1st Day of November 1996

PACIFIC MANUFACTURING (UK) LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 1996

	NOTES	1996 £	1995 £
TURNOVER	2	6,731,256	3,328,788
COST OF SALES		6,509,512	3,221,255
		<hr/>	<hr/>
GROSS PROFIT		221,744	107,533
Administration Expenses		240,318	89,415
		<hr/>	<hr/>
OPERATING PROFIT/(LOSS)	4	(18,574)	18,118
Interest Received		4	-
		<hr/>	<hr/>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		(18,570)	18,118
Taxation on Ordinary Activities	5	-	-
		<hr/>	<hr/>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		(18,570)	18,118
Retained Losses Brought Forward		(36,643)	(54,761)
		<hr/>	<hr/>
Accumulated (Losses) Carried Forward		£(55,213) =====	£ (36,643) =====

NOTE:

Movements on reserves are set out in Note 12 to the Financial Statements. There have been no recognised gains or losses other than the Loss for the year.

PACIFIC MANUFACTURING (UK) LIMITED
BALANCE SHEET AS AT 31ST MARCH 1996

		1996		1995	
	NOTES	£	£	£	£
FIXED ASSETS					
Tangible Fixed Assets	6		15,759		18,154
CURRENT ASSETS					
Debtors	7	221,165		2,427,761	
Cash at Bank and in Hand		512,076		22,819	
		<u>733,241</u>		<u>2,450,580</u>	
CREDITORS					
Amounts Falling Due Within One Year	8	774,213		2,375,377	
		<u></u>		<u></u>	
NET CURRENT ASSETS			(40,972)		75,203
			<u>(25,213)</u>		<u>93,357</u>
CREDITORS					
Amounts Falling Due After More than One Year	9		-		(100,000)
			<u></u>		<u></u>
			£ (25,213)		£ (6,643)
			=====		=====
CAPITAL AND RESERVES					
Called Up Share Capital	10		30,000		30,000
Profit and (Loss) Account			(55,213)		(36,643)
			<u></u>		<u></u>
			£ (25,213)		£ (6,643)
			=====		=====

Approved by the Board on...28TH October 1996

J RAMOS

N SYED

PACIFIC MANUFACTURING (UK) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1996

1) ACCOUNTING POLICIES

a) Accounting Convention

The Accounts have been prepared under the historical cost convention.

b) Depreciation

Depreciation is provided on all fixed assets, to write off the cost, less estimated residual value of each asset over their expected useful lives.

The rates applicable are as follows:-

Fixtures, Fittings and Equipment : 15% of W.D.V.

c) FRS:

The Company has taken advantage of the exemption in Financial Reporting Standard No. 1 from producing a Cash Flow Statement on the grounds that it is a small company.

2) TURNOVER

Turnover represents sales to outside customers at invoiced amounts, less value added tax.

3) STAFF COSTS

1996	1995
£	£

Staff costs during the year excluding Director amounted to:

Wages and Salaries	37,063	27,188
Social Security Costs	4,571	3,541
Pension	708	597
	=====	=====

4) OPERATING PROFIT/(LOSS)

1996	1995
£	£

This is stated after charging:

Depreciation	2,781	3,833
Directors' Remuneration	16,506	12,327
Auditors' Remuneration	3,030	3,000
Unrealised (Gain)/Loss on Currency Translation	9,115	(8,859)
Realised (Gain)/Loss on Currency Translation	70,981	(40,868)
Provision for Future Exchange Losses	-	35,000
	=====	=====

PACIFIC MANUFACTURING (UK) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1996

(Continued)

5) TAXATION

	1996	1995
Based on Profits for the year:		
Corporation Tax @ 25%	£ - =====	£ NIL =====

6) TANGIBLE ASSETS

	Fixtures Fittings & Equipment £	TOTAL £
COST		
At 1st April 1995	25,558	25,558
Additions	386	386
	<hr/>	<hr/>
At 31st March 1996	£ 25,944 =====	£ 25,944 =====
DEPRECIATION		
At 1st April 1995	7,404	7,404
Provided for the year	2,781	3,892
	<hr/>	<hr/>
At 31st March 1996	£ 10,185 =====	£ 11,296 =====
NET BOOK VALUE		
At 31st March 1996	£ 15,759 =====	£ 14,648 =====
At 31st March 1995	£ 18,154 =====	£ 18,154 =====

The company had no capital commitments at 31st March 1996, either authorised by the Directors but not contracted, or contracted but not provided for.

7) DEBTORS

	1996 £	1995 £
Trade Debtors	163,841	2,358,008
Other Debtors	3,188	2,798
Payments in Advance	54,136	66,955
	<hr/>	<hr/>
	£ 221,165 =====	£ 2,427,761 =====