CITYLEND LIMITED

Registered No: 2911534

ACCOUNTS FOR THE PERIOD ENDED 31ST AUGUST 2008

Citylend Limited

Accounts

For the Period Ended 31st August 2008

Contents

Page

CITYLEND LIMITED

REPORT OF THE DIRECTORS

FOR THE PERIOD ENDED 31ST AUGUST 2008

The Directors submit their Annual Report and Accounts for the twelve months ended 31st August 2008.

Principal Activity

The activity of the Company is that of an investment holding company in both Russia and the United Kingdom.

Business Review

In view of the prevailing conditions in Russia, all current activities are being treated with extreme caution. As such it is not possibly to predict future direction.

The Directors do not recommend the payment of a dividend.

Post Balance Sheet Events

There have been no events since the end of the Company's financial period which affected the state of affairs at 31st August, 2008.

Directors

The Directors during the period under review and the shares in the Company in which they were beneficially interested at the beginning and end of the period were:

	Ordinary Shares of £1 each	
	31 August 2008	31 August 2007
P Stanley	9599	9599
V Essin	2001	2001
M Johnston	500	500
O Solomatina	1001	1001
A Wesson	NIL	NIL

CITYLEND LIMITED

REPORT OF THE DIRECTORS (CONT)

FOR THE PERIOD ENDED 31ST AUGUST 2008

Directors' Responsibilities

The directors are required by UK company law to prepare financial statements for each financial year that 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 income and expenditure for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgments and estimates have been made in the preparation of the financial statements for the period ended 31 August 2008. The directors also are responsible for keeping proper accounting records, for taking reasonable steps to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Auditors

The directors have taken advantage of recent legislation such that companies of this size are no longer required to appoint auditors. This action has been ratified by the company's shareholders.

In particular, the directors confirm that:

(a) for the period ended 31st August 2008 the company was entitled to exemption under subsection (1) of Section 249A of the Companies Act 1985; and

(b) no notice has been deposited under subsection (2) of Section 249B,

BY ORDER OF THE BOARD

P STANLEY
Director

CITYLEND LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31ST AUGUST 2008

	Notes	2008	2007
		£	£
Net Profit (loss) for the year		(0)	(0)
Interest payable and similar charges			
Profit (Loss) on ordinary activities before taxation		(0)	(0)
Tax on ordinary activities			
Net profit (Loss) for the year		(0)	(0)
Investments written off			
Losses brought forward		(22498)	(22498)
Losses carried forward		(22498)	(22498)

CITYLEND LIMITED

BALANCE SHEET AS AT 31ST AUGUST 2008

	Notes	2008 £	2007 £
Fixed assets			
Tangible assets	1	NIL	NIL
Less: depreciation			
Investments	2	2	2
		2	2
Current assets			
Debtors	6		
Cash at bank and in hand		0	0
Total assets less current liabilities		2	2
Share capital and reserves			
Share capital	8	22500	22500
Profit and loss account		(22498)	(22498)
Equity shareholders' funds		2	2

The Directors have:

(a) taken advantage of the Companies Act 1985 in not having these accounts audited;

(b) for the year ended 31st August 2008 the company was entitled to exemption under Section 249A (1) of the Companies Act 1985.

(c) have confirmed that no notice has been deposited under s249B(2) of the Companies Act 1985;

(d) acknowledged their responsibilities for ensuring that the company keeps accounting records which comply with s221 of the Companies Act 1985;

(e) acknowledged their responsibilities for preparing accounts which give a true and fair view of the company and of its profit for the year then ended in accordance with the requirements of s226, and which otherwise comply with the requirement of this Act relating to accounts, so far as applicable to this company.

(f) taken advantage of sections 246 and 247 and schedule 8, Companies Act 1985 (as inserted by section 13 and schedule 6, Companies Act 1989) in relation to the provision of information for small and medium sized enterprises.

The accounts on pages 3 to 6 were approved by the board of directors on the 18th December 2008 and signed on its behalf by:

P Stanley

Director

CITYLEND LIMITED

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 31ST AUGUST 2008

1. **Principal Accounting Policies**

The accounts have been prepared in accordance with applicable Accounting standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

(a) Account convention

The accounts have been prepared in accordance with the historical cost convention.

(b) Fixed Assets and Depreciation

The tangible assets represented by motor vehicles were disposed of during 1996. These were previously depreciated at 25% per annum.

2. **Investments**

Investments were previously stated at cost , however in view of the position in Russia and the unfortunate death of Mr Frank Sheridan who was pursuing these investments it was thought prudent to write down their value to £2 during. the year ended 31st August 2003

3. **Employees and Directors**

The company has no employees and the directors receive no remuneration.

4. **Auditors**

No auditors have been appointed for the period ended 31st August 2008.

5. **Taxation**

No corporation tax is payable for the current period.

6. **Debtors**

Debtors represented amounts due as income from investments and sundry charges and as these could not be recovered they were wrtitten off in a previous year.

CITYLEND LIMITED

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 31ST AUGUST 2008

7. **Creditors**: amounts falling due within one year

The company incurs no debts as the costs are generally met by one of the directors as they occur.

8. **Share capital**

	2008	2007
	£	£
Authorised		
100,000 ordinary shares of £1 each	100,000	100,000
Issued, called up and fully paid		
22,500 ordinary shares of £1 each	22,500	22,500