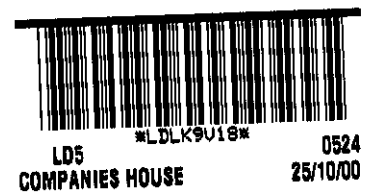


ARMARI LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR
30TH JUNE 1999



ANDREW MURRAY & CO.
Chartered Accountants & Registered Auditors
3 Gower Street
London
WC1E 6HA.

ARMARI LIMITED
ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 30TH JUNE 1999

CONTENTS	PAGE
Auditors' report to the company	1
Abbreviated balance sheet	2
Notes to the abbreviated financial statements	3

ARMARI LIMITED**AUDITORS' REPORT TO THE COMPANY****PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 2 to 4, together with the financial statements of the company for the year ended 30th June 1999 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.

OTHER INFORMATION

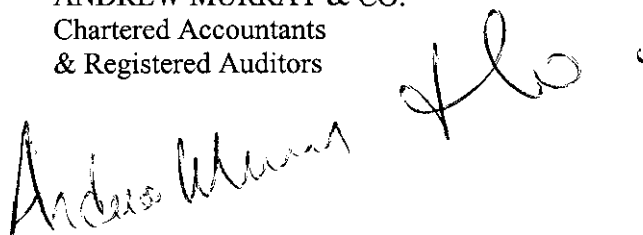
On 19th October 2000 we reported as auditors to the members of the company on the financial statements prepared under Section 226 of the Companies Act 1985 and our report included the following paragraph:

The validity of going concern basis on which the financial statements are prepared depends on the continued support of the company's bankers, shareholders and other creditors. Should the company be unable to continue trading, adjustments would have to be made to reduce the value of the assets to their recoverable amount and to provide for any further liabilities which might arise and to reclassify fixed assets and long term liabilities as current assets and current liabilities respectively.

3 Gower Street
London
WC1E 6HA.

19th October 2000

ANDREW MURRAY & CO.
Chartered Accountants
& Registered Auditors

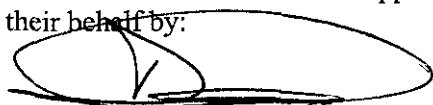
A handwritten signature in dark ink, appearing to read 'Andrew Murray', is written over the printed name and title of the auditors. To the right of the signature is a large, stylized handwritten flourish or mark.

ARMARI LIMITED
ABBREVIATED BALANCE SHEET
30TH JUNE 1999

	Note	1999 £	£	1998 £	£
FIXED ASSETS	2				
Tangible assets			21,407		31,134
CURRENT ASSETS					
Stocks		19,650		6,286	
Debtors		41,199		38,694	
Cash at bank and in hand		16,398		9,377	
		<u>77,247</u>		<u>54,357</u>	
CREDITORS: Amounts falling due within one year		<u>(120,837)</u>		<u>(107,084)</u>	
NET CURRENT LIABILITIES			(43,590)		(52,727)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(22,183)</u>		<u>(21,593)</u>
CREDITORS: Amounts falling due after more than one year			<u>(11,675)</u>		<u>(17,083)</u>
			<u>(33,858)</u>		<u>(38,676)</u>
CAPITAL AND RESERVES					
Called-up equity share capital	3		200		200
Profit and loss account			<u>(34,058)</u>		<u>(38,876)</u>
DEFICIENCY			<u>(33,858)</u>		<u>(38,676)</u>

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 19th October 2000 and are signed on their behalf by:



D. CROWTHER
 Director

ARMARI LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 30TH JUNE 1999

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Motor vehicle	: 33.33%	p.a.on W.D.V.
Office equipment	: 25.00%	p.a.on W.D.V.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

2. FIXED ASSETS

	Tangible Fixed Assets £
COST	
At 1st July 1998 and 30th June 1999	<u>41,257</u>
DEPRECIATION	
At 1st July 1998	10,123
Charge for year	<u>9,727</u>
At 30th June 1999	<u>19,850</u>
NET BOOK VALUE	
At 30th June 1999	<u>21,407</u>
At 30th June 1998	<u>31,134</u>

ARMARI LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 30TH JUNE 1999

2. FIXED ASSETS *(continued)*

3. SHARE CAPITAL

Authorised share capital:

	1999	1998
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	1999	1998
	£	£
Ordinary share capital	<u>200</u>	<u>200</u>