

Company Registration No. 3092261

EUROPEAN FUTURES LIMITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2000



12792-B-2000

Registered Office  
Suite 205, Moghul House  
57 Grosvenor Street  
Mayfair  
London  
W1X 9DA

**EUROPEAN FUTURES LIMITED**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 JUNE 2000**

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The directors' present their report and financial statements for the year ended 30 June 2000.

**Principal activities and review of the business**

The principal activity of the company is to exploit intellectual property rights.

**Results and dividends**

The results for the year are set out on page 4.

**Directors'**

The following directors' have held office since 1 July 1999:

A.M. Taylor

L.R. Taylor

J Tabone

The directors' have no interest in the issued share capital of the company.

**Auditors**

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Matthew Edwards & Co. be reappointed as auditors of the company will be put to the Annual General Meeting.

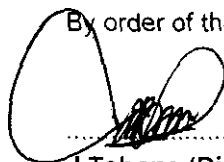
**Directors' responsibilities**

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 profit or loss 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 judgements and estimates that are reasonable and prudent;
- 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.

By order of the board

  
.....  
J Tabone (Director)

Date : **31 MAY 2001**  
.....

**MATTHEW EDWARDS & CO**  
CHARTERED ACCOUNTANTS

P.O. Box 227, Clinch's House, Lord Street, Douglas, Isle of Man IM99 1RZ  
Telephone: +44 (0) 1624 663166 Facsimile: +44 (0) 1624 677108  
E-mail audit@matthew-edwards.com

**INDEPENDENT AUDITORS' REPORT  
TO THE SHAREHOLDERS OF EUROPEAN FUTURES LIMITED**

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We have audited the financial statements on pages 4 to 8 of European Futures Limited for the year ended 30 June 2000 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 in the Statement of Directors' Responsibilities the company's directors' are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Acts 1985. We also report to you whether in our opinion the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatement within it.

**Basis of opinion**

We conducted our audit in accordance with United Kingdom 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 the 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.

INDEPENDENT AUDITORS' REPORT (CONTINUED)  
TO THE SHAREHOLDERS OF EUROPEAN FUTURES LIMITED

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Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Matthew Edwards, Co.*

Matthew Edwards & Co.  
Chartered Accountants  
Registered Auditor

*31-5-01*

Clinch's House, Lord Street  
Douglas, Isle Of Man  
IM99 1RZ

**\* EUROPEAN FUTURES LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 JUNE 2000**

	Notes	Year ended 30 June 2000 £	Year ended 30 June 1999 £
Turnover	2	630,418	438,098
Cost of sales		(550,112)	(381,973)
<b>Gross profit</b>		<b>80,306</b>	<b>56,125</b>
Administrative expenses		(4,752)	(4,233)
<b>Operating profit</b>	3	<b>75,554</b>	<b>51,892</b>
Other interest receivable and similar income	4	302	-
Interest payable and similar charges	5	-	(349)
<b>Profit on ordinary activities before taxation</b>		<b>75,856</b>	<b>51,543</b>
Tax on profit on ordinary activities	6	(50,354)	(34,968)
<b>Profit on ordinary activities after taxation</b>		<b>25,502</b>	<b>16,575</b>
Dividends	7	(8,163)	-
<b>Retained profit for the year</b>	11	<b>17,339</b>	<b>16,575</b>
<b>Profit brought forward at 1 July 1999</b>		<b>27,342</b>	<b>10,767</b>
<b>Profit carried forward at 30 June 2000</b>		<b>44,681</b>	<b>27,342</b>

All of the company's activities are derived from continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

EUROPEAN FUTURES LIMITED

BALANCE SHEET  
AS AT 30 JUNE 2000

	Notes	2000 £	£	1999 £	£
<b>Current assets</b>					
Debtors	8	299,123		127,727	
Cash at bank and in hand		42,564		22,414	
		<u>341,687</u>		<u>150,141</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(296,006)</u>		<u>(121,799)</u>	
<b>Net current assets</b>			45,681		28,342
<b>Total assets less current liabilities</b>			<u>45,681</u>		<u>28,342</u>
<b>Capital and reserves</b>					
Called up share capital	10		1,000		1,000
Profit and loss account	11		44,681		27,342
<b>Shareholders' funds - equity interests</b>	12		<u>45,681</u>		<u>28,342</u>

The financial statements were approved by the Board on 31 MAY 2001

  
J Tabone  
Director

**EUROPEAN FUTURES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2000**

**1 Accounting policies**

**1.1 Accounting convention**

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

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

**1.2 Foreign currency translation**

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. Current 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.

**2 Turnover**

Turnover represents income derived from the company's principal activity.

<b>3 Operating profit</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Operating profit is stated after charging:		
Audit and accountancy fees	950	851
	<u>          </u>	<u>          </u>
<b>4 Other interest receivable and similar income</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Profit on foreign exchange	302	-
	<u>          </u>	<u>          </u>
	302	-
	<u>          </u>	<u>          </u>
<b>5 Interest payable and similar expenses</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Loss on foreign exchange	-	349
	<u>          </u>	<u>          </u>
	-	349
	<u>          </u>	<u>          </u>
<b>6 Taxation</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
<b>Current year taxation</b>		
U.K. corporation tax at 30.00% (1999 - 30.75%)	22,756	15,850
Irrecoverable Withholding Tax	27,598	19,118
	<u>          </u>	<u>          </u>
	50,354	34,968
	<u>          </u>	<u>          </u>

**EUROPEAN FUTURES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2000**

<b>7 Dividends</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Ordinary interim paid	8,163	-

<b>8 Debtors</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Trade debtors	298,512	125,100
Other debtors	128	2,152
Prepayments and accrued income	483	475
	<u>299,123</u>	<u>127,727</u>

<b>9 Creditors: amounts falling due within one year</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Trade creditors	265,797	110,195
Other creditors	28,022	5,799
Accruals and deferred income	2,187	5,805
	<u>296,006</u>	<u>121,799</u>

**10 Share Capital**

The authorised share capital of the Company comprises 1000 ordinary £1 shares of which 1000 have been issued and are fully paid up (1999 - 1000).

**11 Statement of movements on profit and loss account**

	<b>Profit and loss account £</b>
Balance at 1 July 1999	27,342
Retained profit for the period	17,339
Balance at 30 June 2000	<u>44,681</u>



**EUROPEAN FUTURES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2000**

<b>12 Reconciliation of movements in shareholders' funds</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	25,502	16,575
Dividends	(8,163)	-
	<hr/>	<hr/>
Net addition to shareholders' funds	17,339	16,575
Opening shareholders' funds	28,342	11,767
	<hr/>	<hr/>
Closing shareholders' funds	45,681	28,342
	<hr/>	<hr/>

**13 Contingent liabilities**

There were no known contingent liabilities as at the balance sheet date.

**14 Capital commitments**

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

**15 Employees**

**Number of employees**

There were no employees during the year apart from the directors'. The directors' received no remuneration during the year.

**16 Ultimate Controlling Party and Related party transactions**

The directors' are not aware of the ultimate controlling party, transactions related thereto and any other related party transactions.