

Company number : 3161949

CHADWIN TRADING LIMITED

FINANCIAL STATEMENTS

AS AT 31ST DECEMBER 1996

Registered Office

Bell House
175 Regent Street
London W1R 7FB

14329-96



CHADWIN TRADING LIMITED

DIRECTORS REPORT

The Directors submit their report and the audited financial statements for the period ended 31st December 1996.

ACTIVITIES

The company was incorporated on the 20th February 1996 in England.

The principal activity of the company is the provision of administrative 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 period were:

	<u>Appointed</u>
A J Weir	23.05.96
S J Townsend	20.02.96
D Rudge	20.02.96

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 period 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 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 with 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.

CHADWIN TRADING LIMITED

DIRECTORS REPORT

RESULTS AND DIVIDENDS

The company's result for the period was a loss after taxation of £ 1,917.

The directors do not recommend the payment of a dividend.

AUDITORS

Messrs. Edwards & Co. (Isle of Man) 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

A handwritten signature in dark ink, appearing to read 'T. J. S. D.', is written above a horizontal line.

Director

EDWARDS & CO

CHARTERED ACCOUNTANTS

ISLE OF MAN

LONDON

P.O. Box 227, Clinch's House, Lord Street, Douglas, Isle of Man IM99 1RZ
Telephone 01624 663166 0171 573 7700
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E-mail edwards@edsline.demon.co.uk

REPORT OF THE AUDITORS

TO THE MEMBERS OF

CHADWIN TRADING LIMITED

We have audited the financial statements on pages 4 to 7 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 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. 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 explanations 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.

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

OPINION

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st December 1996 and of its results for the period then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

Edwards & Co.

EDWARDS & CO. (ISLE OF MAN)
Chartered Accountants
Registered Auditors

Date 9.7.97

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CHADWIN TRADING LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31ST DECEMBER 1996

	Notes	1996 £
Turnover	2	-
Cost of sales		-
Gross profit		----- -
Administrative expenses		(1,917)
Operating loss	3	----- (1,917)
Taxation	5	-
Retained loss for the period		----- £ (1,917) =====

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

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

The attached notes form part of these financial statements.

CHADWIN TRADING LIMITED

BALANCE SHEET

AS AT 31ST DECEMBER 1996

	Notes	1996 £
FIXED ASSETS		
Investments	6	20

CURRENT ASSETS		
Debtors	7	6,021
Cash at bank		2,392

		8,413
CREDITORS: Amounts falling due within one year	8	(350)

NET CURRENT ASSETS		8,063

TOTAL NET ASSETS		£ 8,083
		=====
CAPITAL AND RESERVES		
Called up share capital	9	10,000
Profit and loss account		(1,917)

Shareholders Funds	10	£ 8,083
		=====



Director

Date

9.7.97

The attached notes form part of these financial statements.

CHADWIN TRADING LIMITED

NOTES TO THE ACCOUNTS

AS AT 31ST DECEMBER 1996

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.

2. TURNOVER

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

3. OPERATING LOSS

	1996
	£
This is stated after charging:-	
Formation expenses	750
Auditors remuneration	350
	=====

4. DIRECTORS AND EMPLOYEES

The directors were the only employees during the period. The directors received no emoluments from the company during the period.

CHADWIN TRADING LIMITED

NOTES TO THE ACCOUNTS

AS AT 31ST DECEMBER 1996

5. TAXATION

Due to the losses incurred in the period, no provision has been made for UK corporation tax.

6. FIXED ASSET INVESTMENTS

The investment represents a 20% interest in Lecce Pen Group and is stated at acquisition cost.

7. DEBTORS

	1996 £
Trade debtors	21
Shareholders loan	6,000
	<u>£ 6,021</u>
	=====

8. CREDITORS: Amounts falling due within one year:-

	1996 £
Other creditors and accruals	350
	<u>=====</u>

9. SHARE CAPITAL

Authorised share capital of the company comprises 10,000 shares at £1 each, of which 10,000 have been issued and are not fully paid.

10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS

	1996 £
Loss for the financial period after tax	(1,917)
	<u>-----</u>
Reduction in shareholders funds	(1,917)
	<u>-----</u>
Issue of share capital	10,000
	<u>-----</u>
Closing shareholders funds at 31.12.96	<u>£ 8,083</u>
	=====

CHADWIN TRADING LIMITED

NOTES TO THE ACCOUNTS

AS AT 31ST DECEMBER 1996

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.

13. CONTROLLING PARTY

The directors are not aware of the identity of the ultimate controlling party of the company.