

Company Registration No. 3204455

MAYLINE INTERTRADE LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1999



14563-BP-1999

Registered Office
Suite 205, Moghul House,
57 Grosvenor St.,
London.

MAYLINE INTERTRADE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 1999

The directors present their report and financial statements for the year ended 30 September 1999.

Principal activities and review of the business

The principal activity of the company continued to be the provision of administrative services.

The company changed its name on the 24th May 1999 from Mayline Investments Limited to Mayline Intertrade Limited.

Results and dividends

The results for the year are set out on page 3.

Fixed assets

The significant changes in fixed assets during the year are explained in note 7 to the financial statements.

Directors

The following directors have held office since 1 October 1998:

C Stewart (Appointed 29 January 1999)

L.R. Taylor

A.M. Taylor

J.D. Parker (Resigned 29 January 1999)

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

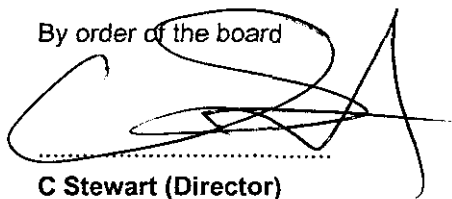
Directors' responsibilities

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



C Stewart (Director)

Date : 24 JUL 2000

MATTHEW EDWARDS & CO

CHARTERED ACCOUNTANTS

P.O. Box 227, Clinch's House, Lord Street, Douglas, Isle of Man IM99 1RZ

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ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE ACCOUNTS OF MAYLINE INTERTRADE LIMITED

We report on the accounts for the year ended 30 September 1999.

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 30 September 1999, set out on pages 3 to 7 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these accounts in order to assist you to fulfil your statutory responsibilities.

Our procedures consisted of comparing the accounts with the accounting records kept by the company and making such enquiries of the officers and other officials of the company as we considered necessary for the purposes of this report.

In our opinion the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985.

Matthew Edwards & Co.

Matthew Edwards & Co.

Chartered Accountants

24/10/00....

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

MAYLINE INTERTRADE LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 1999**

	Notes	1999 £	1998 £
Turnover	2	(93)	(45)
Administrative expenses		(2,345)	(2,242)
Operating loss	3	(2,438)	(2,287)
Other interest receivable and similar income	4	3	680
Interest payable and similar charges	5	(37)	-
Loss on ordinary activities before taxation		(2,472)	(1,607)
Tax on loss on ordinary activities	6	-	73
Loss on ordinary activities after taxation	11	(2,472)	(1,534)
Loss brought forward at 1 October 1998		(2,125)	(591)
Loss carried forward at 30 September 1999		(4,597)	(2,125)

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.

MAYLINE INTERTRADE LIMITED

**BALANCE SHEET
AS AT 30 SEPTEMBER 1999**

	Notes	1999 £	£	1998 £	£
Fixed assets					
Investments	7		5		5
Current assets					
Debtors	8	1,338		1,431	
Cash at bank and in hand		7,052		5,961	
		<u>8,390</u>		<u>7,392</u>	
Creditors: amounts falling due within one year	9	<u>(7,992)</u>		<u>(4,522)</u>	
Net current assets			398		2,870
Total assets less current liabilities			<u>403</u>		<u>2,875</u>
Capital and reserves					
Called up share capital	10		5,000		5,000
Profit and loss account	11		(4,597)		(2,125)
Shareholders' funds - equity interests	12		<u>403</u>		<u>2,875</u>

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts 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 its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The financial statements were approved by the Board on

24 JUL 2000

C Stewart (Director)

MAYLINE INTERTRADE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 1999

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 financial statements have been prepared on the going concern basis. This is considered appropriate as the ultimate beneficial shareholders will continue to provide financial support to the company for the foreseeable future.

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 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

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

3 Operating loss	1999	1998
	£	£
Operating loss is stated after charging:		
Audit and accountancy fees	800	881
	<u>800</u>	<u>881</u>
4 Other interest receivable and similar income	1999	1998
	£	£
Bank interest	3	8
Profit on foreign exchange	-	672
	<u>3</u>	<u>680</u>
5 Interest payable and similar expenses	1999	1998
	£	£
Loss on foreign exchange	37	-
	<u>37</u>	<u>-</u>

MAYLINE INTERTRADE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 1999

6	Taxation	1999	1998
		£	£
	Prior years		
	U.K. corporation tax	-	(73)
		<hr/>	<hr/>
		-	(73)
		<hr/>	<hr/>

On the basis of these financial statements no provision has been made for corporation tax.

7	Fixed asset investments	Unlisted investments
		£
	Cost	
	At 1 October 1998 & at 30 September 1999	5
		<hr/>
	Net book value	
	At 30 September 1999	5
		<hr/>
	At 30 September 1998	5
		<hr/>

The investment represents a 5% interest in the Mayba Group and is stated at cost.

8	Debtors	1999	1998
		£	£
	Trade debtors	1,150	1,243
	Prepayments and accrued income	188	188
		<hr/>	<hr/>
		1,338	1,431
		<hr/>	<hr/>

9	Creditors: amounts falling due within one year	1999	1998
		£	£
	Other creditors	6,960	3,373
	Accruals and deferred income	1,032	1,149
		<hr/>	<hr/>
		7,992	4,522
		<hr/>	<hr/>

10 Share Capital

The authorised share capital of the Company comprises 5000 Ordinary shares of £1.00 each of which 5000 have been issued and are fully paid up (1998 - 5000).

MAYLINE INTERTRADE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 1999****11 Statement of movements on profit and loss account**

	Profit and loss account £
Balance at 1 October 1998	(2,125)
Retained loss for the year	(2,472)
	<hr/>
Balance at 30 September 1999	(4,597)
	<hr/>

12 Reconciliation of movements in shareholders' funds

	1999 £	1998 £
Loss for the financial year	(2,472)	(1,534)
Opening shareholders' funds	2,875	4,409
	<hr/>	<hr/>
Closing shareholders' funds	403	2,875
	<hr/>	<hr/>

13 Contingent liabilities

There were no know contingent liabilities at the balance sheet date.

14 Capital commitments

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

15 Employees**Number of employees, wages and salaries**

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.