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BASILSTORE LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2002

Company number: 03283013 (England and Wales)

WILKINS KENNEDY
Chartered Accountants
Bridge House
London Bridge
London
SE1 9QR



BASILSTORE LIMITED

Company Information

Directors	V. Alfieri
Secretary	C. Sly
Company Number	03283013 (England and Wales)
Accountants	Wilkins Kennedy
Registered Office	Bridge House London Bridge London SE1 9QR

BASILSTORE LIMITED

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BASILSTORE LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 30 NOVEMBER 2002

The director presents her report and the financial statements for the year ended 30 November 2002

Principal activities

The principal activity of the company in the year under review was that of holding investments.

Directors

The directors who served during the year and their beneficial interests in the company's issued ordinary share capital were:-

	Number of shares	
	2002	2001
Quickness Limited (resigned 17 October 2003)	-	-
V. Alfieri (appointed 17 October 2003)	-	-

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 year. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgments 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.

This report was approved by the board on 13 March 2004, and has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed by the director,



V. Alfieri

13th March 2004

BASILSTORE LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 NOVEMBER 2002

	Notes	2002 £	2001 as restated £
Turnover		-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses		(35,215)	(35,349)
Profit on sale of fixed assets		-	24,016
Loss on ordinary activities before taxation	2	(35,215)	(11,333)
Tax on (loss)/profit on ordinary activities		-	-
Retained loss for the year		£ (35,215)	£ (11,333)

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

There were no recognised gains or losses other than those included in the profit and loss account.

The notes form part of the financial statements.

BASILSTORE LIMITED

BALANCE SHEET

AS AT 30 NOVEMBER 2002

	Notes	2002		2001 as restated	
		£	£	£	£
Fixed assets					
Motor vehicle	4	62,006		93,009	
Investments	5	100		100	
		<u> </u>	62,106	<u> </u>	93,109
Current assets					
Debtors	6	2		2	
		<u> </u>		<u> </u>	
Creditors: Amounts falling due within one year	7	13,801		9,589	
		<u> </u>		<u> </u>	
Net current assets/(liabilities)			(13,799)		(9,587)
			<u> </u>		<u> </u>
Total assets less current liabilities			£ 48,307		£ 83,522
			<u> </u>		<u> </u>
Capital and reserves					
Called up share capital	8		2		2
Profit and loss account	9		(37,121)		(1,906)
Capital contribution	9		85,426		85,426
			<u> </u>		<u> </u>
Equity shareholders' funds	10		£ 48,307		£ 83,522
			<u> </u>		<u> </u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 30 November 2002.

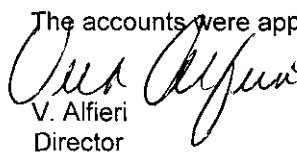
The members have not required the company to obtain an audit of its financial statements for the year ended 30 November 2002 in accordance with Section 249B(2) of the Companies Act 1985.

The director confirms that she is responsible for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
- (b) preparing accounts which give a true and fair view of the state of affairs of the company as at 30 November 2002 and of its results for the year then ended in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.

The accounts were approved by the Director on 13 March 2004.


V. Alfieri
Director

The notes form part of the financial statements.

BASILSTORE LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 30 NOVEMBER 2002

	2002	2001 as restated
	£	£
Loss for the financial year after taxation	(35,215)	(11,333)
	_____	_____
Total recognised gains and losses relating to the year	(35,215)	(11,333)

Prior year adjustment (as explained in note 9)	54,423	

Total gains and losses recognised since last annual report	19,208	

The notes form part of the financial statements.

BASILSTORE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2002

1. Accounting policies

The principal accounting policies, which have been consistently applied, are:-

1.1 Basis of preparation of accounts

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

The company and its subsidiary comprise a small group. The company has taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts. The financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Fixed assets

All tangible assets are initially recorded at cost. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the costs, less their estimated residual value, over their expected useful lives on the following bases:

Motor vehicles 25% straight line basis

Fixed asset investments are stated at the director's estimate of net realisable value.

1.3 Cash flow statement

The company has taken the advantage of the exemption in Financial Reporting Standard 1 from producing a cash flow statement on the grounds that it is a small company.

2 Loss on ordinary activities before taxation

The operating loss is stated after charging

	2002	2001
	£	£
Depreciation	31,003	31,003
Profit on disposal of fixed assets	-	(24,016)
	<hr/>	<hr/>

3 Taxation

The company has no corporation tax liabilities for neither the year ended 30 November 2002, nor the year ended 30 November 2001.

BASILSTORE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2002

4	Tangible fixed assets	Motor Vehicle £
	Cost	
	At beginning and end of year	<u>124,012</u>
	Depreciation	
	At beginning of year	31,003
	Charge for the year	<u>31,003</u>
	At end of year	<u>62,006</u>
	Net book value	
	At 30 November 2002	<u>£ 62,006</u>
	At 30 November 2001	<u>£ 93,009</u>

5 **Fixed asset investment**

The unlisted investment consists of 100% ownership of Basilstore LLC a Limited Liability Company incorporated in Delaware USA.

For the year ended 30 November 2002 Basilstore LLC made a loss of £1,014, and its aggregate capital and reserves as at that date amounted to £nil.

6 **Debtors**

	2002 £	2001 £
Due within one year		
Other debtors	<u>2</u>	<u>2</u>
	<u>£ 2</u>	<u>£ 2</u>

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

	2002 £	2001 £
Bank loans and overdrafts	-	7
Other creditors	<u>13,801</u>	<u>9,582</u>
	<u>£ 13,801</u>	<u>£ 9,589</u>

8 **Called up share capital**

	2002	2001
Authorised		
Ordinary shares of £1 each	<u>£ 1,000</u>	<u>£ 1,000</u>
Allotted and called up		
Ordinary shares of £1 each	<u>£ 2</u>	<u>£ 2</u>

BASILSTORE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2002

9	Reserves	Capital Contribution £	Profit and Loss account £	Total £
	At beginning of year as previously stated	-	29,097	29,097
	Prior period adjustment	85,426	(31,003)	54,423
	Movement in the year	-	(35,215)	(33,965)
	At end of year	<u>£ 85,426</u>	<u>£ (37,121)</u>	<u>£ 49,555</u>

The prior period adjustment corrects an error in the previous year's accounts whereby the addition of a motor vehicle and the associated capital contribution were not accounted for at the year end. This adjustment has the effect of reducing the prior year's profit by £31,003, being depreciation of the motor vehicle.

10	Reconciliation of movement in shareholders funds	2002 £	2001 as restated £
	Opening shareholders funds (originally £29,099 before adding prior period adjustment of £54,423)	83,522	9,429
	Movement in year	(33,965)	74,093
	Closing shareholders funds	<u>£ 49,557</u>	<u>£ 83,522</u>

11 Related party transactions

The company's related parties, as defined by Financial Reporting Standard 8, the nature of the relationship and the extent of the transactions with them are listed below:-

Party	Relationship	
Basilstore LLC	Subsidiary Undertaking	
The transactions were:	2002 £	2001 £
Expenses paid by Basilstore LLC	4,212	4,334
Amounts due to Basilstore LLC	13,801	9,589

12 Ultimate controlling party

The ultimate controlling party is a resident of Mexico. The director considers that for personal security reasons, their name should not be disclosed in these accounts.