

Company Registration No. 3372229

**Denton Wilde Sapte CIS Limited
(formally Denton Hall Services (UK)
Limited)**

Report and Financial Statements

30 April 2004



Denton Wilde Sapte CIS Limited
(formally Denton Hall Services (UK) Limited)

Report and financial statements 2004

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Denton Wilde Sapte CIS Limited
(formally Denton Hall Services (UK) Limited)

Directors' report

The directors present their report and the audited financial statements for the year ended 30 April 2004.

Principal activity

The principal activity of the company is the provision of office services for Denton Wilde Sapte, a UK Partnership, in Moscow.

Trading review and future prospects

The profit for the year is shown on page 4. A dividend of £54,000 (2003: £nil) was proposed in respect of the year. The directors expect the general level of activity to continue for the foreseeable future.

Directors and their interests

The directors who served throughout the year were as follows:

DWS Directors Limited
DWS Managers Limited

The directors held no interests in the shares of the company or any other group company during the year.

Auditors

A resolution to re-appoint Deloitte & Touche LLP as the company's auditors will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board

For and on behalf of
DWS Directors Limited


.....
Director/Authorised Signatory
DWS Directors Limited

Director

23 May 2005

Denton Wilde Sapte CIS Limited
(formally Denton Hall Services (UK) Limited)

Statement of directors' responsibilities

United Kingdom 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 as at the end of the financial year 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; and
- 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 the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Independent auditors' report to the members of
Denton Wilde Sapte CIS Limited
(formally Denton Hall Services (UK) Limited)**

We have audited the financial statements of Denton Wilde Sapte CIS Limited for the year ended 30 April 2004 which comprise the profit and loss account, the balance sheet, the reconciliation of movements in shareholders' funds and the related notes 1 to 12. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and 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 Act 1985. We also report if, 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 for the above year and consider the implications for our report if we become aware of any apparent misstatements.

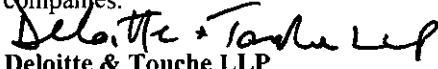
Basis of audit opinion

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.

Opinions

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 April 2004 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.


Deloitte & Touche LLP

Chartered Accountants and Registered Auditors
London

 2005

Denton Wilde Sapte CIS Limited
(formally Denton Hall Services (UK) Limited)

Profit and loss account
Year ended 30 April 2004

	Note	2004 £	2003 £
Turnover	1	845,508	1,168,765
Administrative expenses		(812,988)	(1,123,812)
Operating profit and profit on ordinary activities before taxation	2	32,520	44,953
Tax on profit on ordinary activities	3	(6,652)	(11,441)
Profit on ordinary activities after taxation		25,868	33,512
Equity dividends	5	(54,000)	-
Retained (loss) / profit for the financial year		(28,132)	33,512
Profit and loss account brought forward		33,555	43
Profit and loss account carried forward		5,423	33,555

All activities derive from continuing operations.

There are no recognised gains or losses other than stated above and accordingly no statement of total recognised gains and losses is shown.

Denton Wilde Sapte CIS Limited
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Balance sheet
Year ended 30 April 2004

	Note	2004 £	2003 £
Fixed assets			
Tangible assets	6	23,077	25,302
Current assets			
Debtors	7	1,848,927	2,031,666
Called up share capital not paid		2	2
Cash at bank and in hand		13,751	69,416
		1,862,680	2,101,084
Creditors: amounts falling due within one year	8	(1,880,332)	(2,092,829)
Net current (liabilities)/assets		(17,652)	8,255
Net assets		5,425	33,557
Capital and reserves			
Called up share capital	10	2	2
Profit and loss account		5,423	33,555
Equity shareholders' funds		5,425	33,557

These accounts have been prepared in accordance with the special provisions relating to small companies under section 246 of the Companies Act 1985.

These financial statements were approved by the Board of Directors on 23 May 2005.

Signed on behalf of the Board of Directors

For and on behalf of
DWS Directors Limited


.....
Director/Authorised Signatory

DWS Directors Limited

Director

Denton Wilde Sapte CIS Limited
(formally Denton Hall Services (UK) Limited)

Reconciliation of movements in equity shareholders' funds
Year ended 30 April 2004

	2004 £	2003 £
Profit for the year	25,868	33,512
Equity Dividend	(54,000)	-
	<hr/>	<hr/>
Net (decrease)/increase in shareholders' funds	(28,132)	33,512
Opening shareholders' funds	<hr/> 33,557	<hr/> 45
Closing shareholders' funds	<hr/> 5,425 <hr/>	<hr/> 33,557 <hr/>

Denton Wilde Sapte CIS Limited
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Notes to the accounts
Year ended 30 April 2004

1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Turnover

Turnover comprises the amount receivable for office services provided to Denton Wilde Sapte, a UK Partnership, in Moscow, all of which arises in the UK.

Fixed assets and depreciation

Fixed assets are stated at cost less amount provided for depreciation.

The annual rates of depreciation are as follows:

Computers	25%
Fixtures and fittings	20-25%

Foreign exchange

Transactions denominated in currencies other than pounds sterling are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in currencies other than pounds sterling at the balance sheet date are translated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

Deferred taxation

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded that it is more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2. Operating profit and profit on ordinary activities before taxation

Is stated after charging:

	2004	2003
	£	£
Depreciation	9,273	13,787
Auditors' remuneration	5,000	2,500

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Notes to the accounts
Year ended 30 April 2004

3. Tax on profit on ordinary activities

	2004	2003
	£	£
UK corporation tax at 19% (2003: 30%)	7,454	9,141
Double taxation relief	(4,434)	(3,747)
	<hr/> 3,020	<hr/> 5,394
Foreign tax for current period	4,434	3,747
Adjustment to UK tax in respect of prior years	(1,352)	-
	<hr/> 6,102	<hr/> 9,141
Deferred taxation:		
Timing differences	2,713	5,218
Adjustments to the estimated recoverable amounts of deferred tax assets arising in previous periods	-	-
Prior year adjustments	(2,163)	(2,918)
	<hr/> 6,652	<hr/> 11,441

The actual tax charge for the current year and the previous period differs from the standard rate for the reasons set out in the following reconciliation:

	2004	2003
	£	£
Profit on ordinary activities before tax	32,520	44,953
	<hr/> 9,756	<hr/> 13,486
Tax on profit on ordinary activities at standard rate		
Factors affecting charge for the period:		
Disallowable expenses	3,095	3,541
Capital allowances in excess of depreciation	(2,874)	(5,219)
Marginal relief	(2,523)	(2,667)
Prior period adjustments	(1,352)	-
	<hr/> 6,102	<hr/> 9,141

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Notes to the accounts
Year ended 30 April 2004

4. Employees and directors

	2004 Number	2003 Number
The aggregate number of staff employed by the company was:	16	18
	£	£
The costs incurred in respect of these employees were:		
Wages and salaries	477,819	584,908
Social security costs	38,292	40,001
	516,111	624,909

No remuneration was paid to the directors of the company for the year (2003: £nil).

5. Equity dividends

	2004 £	2003 £
Proposed ordinary dividends on equity shares £27,000 per ordinary share (2003: £nil per ordinary share)	54,000	-

6. Tangible fixed assets

	Computers £	Fixtures and fittings £	Total £
Cost			
At 1 May 2003	76,981	79,214	156,195
Additions	3,424	3,624	7,048
At 30 April 2004	80,405	82,838	163,243
Accumulated depreciation			
At 1 May 2003	51,809	79,084	130,893
Charge for the year	8,781	492	9,273
At 30 April 2004	60,590	79,576	140,166
Net book value			
At 30 April 2004	19,815	3,262	23,077
At 30 April 2003	25,172	130	25,302

Denton Wilde Sapte CIS Limited
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Notes to the accounts
Year ended 30 April 2004

7. Debtors

	2004 £	2003 £
Amounts owed by group undertakings	1,797,135	2,021,554
Prepayments and accrued income	42,230	-
Deferred tax asset (note 9)	9,562	10,112
	<u>1,848,927</u>	<u>2,031,666</u>

8. Creditors: amounts falling due within one year

	2004 £	2003 £
Amounts owed to group undertakings	1,810,833	1,863,713
Corporation tax	7,454	34,279
Accruals	8,045	78,521
Dividends payable	54,000	116,316
	<u>1,880,332</u>	<u>2,092,829</u>

9. Deferred taxation

The amount of deferred tax assets provided in the financial statements are:

	2004 £	2003 £
Capital allowances in excess of depreciation	<u>9,562</u>	<u>10,112</u>

The movements in the provision for deferred taxation are as follows:

	£
At 1 May 2003	10,112
Profit and loss account credit (note 3)	(550)
At 30 April 2004	<u>9,562</u>

10. Called up share capital

	2004 £	2003 £
Authorised:		
100,000 (2003: 100,000) ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Called up, allotted, issued at par and not yet paid:		
2 (2003: 2) ordinary shares of £1 each	<u>2</u>	<u>2</u>

Denton Wilde Sapte CIS Limited
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Notes to the accounts
Year ended 30 April 2004

11. Related party transactions

During the year a management charge was levied on Denton Wilde Sapte, a UK partnership, for office services rendered of £845,508 (2003: £1,168,765).

	2004 £	2003 £
Debtor		
At 30 April:		
Denton Wilde Sapte, a UK partnership	<u>1,797,135</u>	<u>2,021,554</u>
Creditor		
At 30 April:		
DH Employment Services Limited	<u>1,810,833</u>	<u>1,863,713</u>

12. Ultimate controlling undertaking

The directors consider Denton Wilde Sapte to be the ultimate and immediate parent entity and controlling party. Denton Wilde Sapte is the parent of the largest and smallest groups in which Denton Wilde Sapte CIS Limited is consolidated.