

Company Registration No. 3874527 (England and Wales)

EAGLE TELECONFERENCING (UK) LIMITED
DIRECTOR'S REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2004



EAGLE TELECONFERENCING (UK) LIMITED

COMPANY INFORMATION

Director	K S Charugundla
Secretary	Portland Registrars Limited
Company number	3874527
Registered office	1 Conduit Street London W1S 2XA
Accountants	Sedley Richard Laurence Vouters 1 Conduit Street London W1S 2XA

EAGLE TELECONFERENCING (UK) LIMITED

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EAGLE TELECONFERENCING (UK) LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 30 NOVEMBER 2004

The director presents his report and financial statements for the year ended 30 November 2004.

Principal activities

The principle activity of the company continued to be that of provision of teleconferencing services.

Director

The following director has held office since 1 December 2003:

K S Charugundla

Director's interests

The director's interest in the shares of the company was as stated below:

	Ordinary shares of £ 1 each	
	30 November 2004	1 December 2003
K S Charugundla	1	1

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



K S Charugundla

Director

9 September 2005

EAGLE TELECONFERENCING (UK) LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF EAGLE TELECONFERENCING (UK) LIMITED

In accordance with the engagement letter dated 20 September 2002, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of Eagle Teleconferencing (UK) Limited for the year ended 30 November 2004, set out on pages 3 to 9 from the accounting records and information and explanations you have given to us.

This report is made to the company's board of directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's board of directors that we have done so, and state those matters that we have agreed to state to them in this 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 board of directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet for the year ended 30 November 2004 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Sedley Richard Laurence Voulters

Sedley Richard Laurence Voulters

9 September 2005

Chartered Accountants

1 Conduit Street
London
W1S 2XA

EAGLE TELECONFERENCING (UK) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 NOVEMBER 2004

	Notes	2004 £	2003 £
Turnover		53,187	54,170
Cost of sales		(20,842)	(28,714)
Gross profit		<u>32,345</u>	<u>25,456</u>
Administrative expenses		(120,192)	(47,682)
Operating loss	2	<u>(87,847)</u>	<u>(22,226)</u>
Other interest receivable and similar income	3	<u>1,218</u>	<u>2,812</u>
Loss on ordinary activities before taxation		<u>(86,629)</u>	<u>(19,414)</u>
Tax on loss on ordinary activities	4	<u>-</u>	<u>-</u>
Loss on ordinary activities after taxation	10	<u><u>(86,629)</u></u>	<u><u>(19,414)</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

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

EAGLE TELECONFERENCING (UK) LIMITED

BALANCE SHEET AS AT 30 NOVEMBER 2004

	Notes	2004 £	£	2003 £	£
Fixed assets					
Tangible assets	5		7,603		5,918
Investments	6		2,159		2,159
		
			9,762		8,077
Current assets					
Debtors	7	56,617		119,813	
Cash at bank and in hand		36,018		43,732	
		
		92,635		163,545	
Creditors: amounts falling due within one year	8	(230,999)		(213,595)	
		
Net current liabilities			(138,364)		(50,050)
		
Total assets less current liabilities			(128,602)		(41,973)
		
Capital and reserves					
Called up share capital	9		1		1
Profit and loss account	10	(128,603)		(41,974)	
		
Shareholders' funds - equity interests	11	(128,602)		(41,973)	
		

In preparing these financial statements:

- The director is of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- The director acknowledges his responsibilities for:
 - ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - 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.

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

The financial statements were approved by the Board on 9 September 2005



K S Charugundla
Director

EAGLE TELECONFERENCING (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2004

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company meets its day to day working capital requirements through financial support from K Charungundla, the director and sole shareholder. On this basis, the director considers it appropriate to prepare the financial statements on the going concern basis.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	25% on a straight line basis
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1.5 Investments

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

1.6 Deferred taxation

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.

The above amounts to a change in accounting policy. The previous policy was to provide deferred tax only to the extent that it was probable that liabilities would crystallise in the foreseeable future.

The adoption of the standard has not required a prior period adjustment. If the new policy had been in place in the previous period no asset/liability would have been recognised as the conditions for recognition would not have been satisfied.

1.7 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.8 Group accounts

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

EAGLE TELECONFERENCING (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2004

2	Operating loss	2004	2003
		£	£
	Operating loss is stated after charging:		
	Depreciation of tangible assets	4,506	2,958
		<u> </u>	<u> </u>
3	Investment income	2004	2003
		£	£
	Bank interest	1,218	2,812
		<u> </u>	<u> </u>
4	Taxation		
		<u> </u>	<u> </u>
	Current tax charge	-	-
		<u> </u>	<u> </u>
	Factors affecting the tax charge for the year		
	Loss on ordinary activities before taxation	(86,629)	(19,414)
		<u> </u>	<u> </u>
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2003: 30.00%)	(25,989)	(5,824)
		<u> </u>	<u> </u>
	Effects of:		
	Depreciation add back	4,506	887
	Capital allowances	(4,328)	(532)
	Unrelieved tax losses	25,811	5,469
		<u> </u>	<u> </u>
		25,989	5,824
		<u> </u>	<u> </u>
	Current tax charge	-	-
		<u> </u>	<u> </u>

EAGLE TELECONFERENCING (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2004

5 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 December 2003	11,834
Additions	6,191
	<hr/>
At 30 November 2004	18,025
	<hr/>
Depreciation	
At 1 December 2003	5,916
Charge for the year	4,506
	<hr/>
At 30 November 2004	10,422
	<hr/>
Net book value	
At 30 November 2004	7,603
	<hr/>
At 30 November 2003	5,918
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EAGLE TELECONFERENCING (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2004

6 Fixed asset investments

	Shares in group undertakings and participating interests £
Cost	
At 1 December 2003 & at 30 November 2004	2,159

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Multiconferencia S.L.	Spain	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves 2004 £	Profit for the year 2004 £
Multiconferencia S.L.	(195,925)	(93,236)

7 Debtors

	2004 £	2003 £
Trade debtors	8,487	17,750
Amounts owed by group undertakings and undertakings in which the company has a participating interest	46,388	100,133
Other debtors	1,742	1,930
	<u>56,617</u>	<u>119,813</u>

EAGLE TELECONFERENCING (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2004

8	Creditors: amounts falling due within one year	2004 £	2003 £
	Trade creditors	18,817	1,413
	Other creditors	212,182	212,182
		<u>230,999</u>	<u>213,595</u>

9	Share capital	2004 £	2003 £
	Authorised		
	1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
	Allotted, called up and fully paid		
	1 Ordinary shares of £1 each	<u>1</u>	<u>1</u>

10	Statement of movements on profit and loss account	Profit and loss account £
	Balance at 1 December 2003	(41,974)
	Retained loss for the year	<u>(86,629)</u>
	Balance at 30 November 2004	<u>(128,603)</u>

11	Reconciliation of movements in shareholders' funds	2004 £	2003 £
	Loss for the financial year	(86,629)	(19,414)
	Opening shareholders' funds	<u>(41,973)</u>	<u>(22,559)</u>
	Closing shareholders' funds	<u>(128,602)</u>	<u>(41,973)</u>

12 Transactions with directors

At the year end the company owed K Charagundla £198,667 (2003: £198,667), a director of the company.