

Registration number 4516979

J S ELECTRICAL LIMITED

Directors' report and financial statements
for the period ended 31 December 2003

Robinson Sterling
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J S ELECTRICAL LIMITED

Company information

Directors	S M Y Shah A A Shah
Secretary	S M Y Shah
Company number	4516979
Registered office	235-237 Barking Road Eastham London E6 1LB
Accountants	Robinson Sterling 277 Ilford Lane Ilford Essex IG1 2SD
Business address	235-237 Barking Road Eastham London E6 1LB
Bankers	HSBC 118 High Street North East Ham London E6 2HX

J S ELECTRICAL LIMITED

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J S ELECTRICAL LIMITED

Directors' report for the period ended 31 December 2003

The directors present their report and the financial statements for the period ended 31 December 2003.

Incorporation and change of name

The company was incorporated on 22 August 2002 as J S Electricals Limited. The name of the company was changed to *J S ELECTRICAL LIMITED* on 25 November 2002. The company commenced trade on 1 January 2003.

Principal activity

The principal activity of the company is that of selling electrical goods, electrical household goods and other related activities.

Directors and their interests

The directors who served during the period and their interests in the company are as stated below:

	Ordinary shares	
	31/12/03	22/08/02
S M Y Shah	1	1
A A Shah	1	1

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

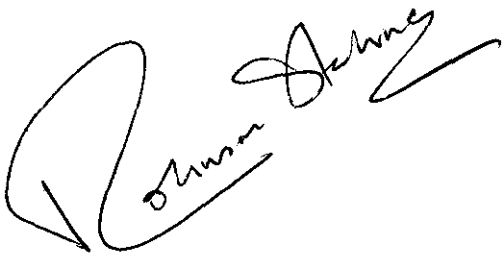
This report was approved by the Board on 16 May 2004 and signed on its behalf by


S M Y Shah
Director

J S ELECTRICAL LIMITED

**Accountants' report on the unaudited financial statements to the directors of
J S ELECTRICAL LIMITED**

As described on the balance sheet you are responsible for the preparation of the financial statements for the period ended 31 December 2003 set out on pages 3 to 11 and you consider that the company is exempt from an audit. In accordance with your instructions we have compiled these unaudited financial statements, in order to assist you to fulfil your statutory responsibilities, from the accounting records and information supplied to us.

A handwritten signature in black ink, appearing to read 'Robinson Sterling', is written over a large, stylized circular mark.

**Robinson Sterling
Chartered Accountants
277 Ilford Lane
Ilford
Essex**

IG1 2SD

Date: 16 May 2004

J S ELECTRICAL LIMITED

Profit and loss account for the period ended 31 December 2003

Continuing operations

		Period ended 31/12/03
	Notes	£
Turnover	2	105,128
Cost of sales		(59,759)
Gross profit		45,369
Administrative expenses		(36,390)
Other interest receivable and similar income		1
Profit on ordinary activities before taxation		8,980
Tax on profit on ordinary activities	5	(20)
Profit on ordinary activities after taxation		8,960
Dividends	6	(8,500)
Retained profit for the period		460

There are no recognised gains or losses other than the profit or loss for the above financial period.

The notes on pages 6 to 11 form an integral part of these financial statements.

J S ELECTRICAL LIMITED

Balance sheet as at 31 December 2003

	Notes	31/12/03	
		£	£
Fixed assets			
Intangible assets	7		57,000
Tangible assets	8		3,280
			<u>60,280</u>
Current assets			
Stocks		28,700	
Debtors	9	2,833	
Cash at bank and in hand		300	
		<u>31,833</u>	
Creditors: amounts falling due within one year	10	(91,631)	
Net current liabilities			<u>(59,798)</u>
Total assets less current liabilities			482
Provisions for liabilities and charges	11		(20)
Net assets			<u>462</u>
Capital and reserves			
Called up share capital	13		2
Profit and loss account			460
Equity shareholders' funds	14		<u>462</u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 6 to 11 form an integral part of these financial statements.

J S ELECTRICAL LIMITED

Balance sheet (continued)

**Directors' statements required by Section 249B(4)
for the period ended 31 December 2003**

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the period stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the period ended 31 December 2003 and

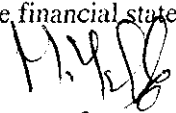
(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the period then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are 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 16 May 2004 and signed on its behalf by


S M Y Shah
Director

The notes on pages 6 to 11 form an integral part of these financial statements.

J S ELECTRICAL LIMITED

Notes to the financial statements for the period ended 31 December 2003

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention .

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 20 years.

1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	- 15% Reducing balance
Motor vehicles	- 25% Reducing balance

1.5. Stock

Stock is valued at the lower of cost and net realisable value.

J S ELECTRICAL LIMITED

Notes to the financial statements for the period ended 31 December 2003

..... continued

1.6. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Turnover

The total turnover of the company for the period has been derived from its principal activity wholly undertaken in the UK.

3. Operating profit

Operating profit is stated after charging:

Depreciation and other amounts written off intangible assets

Depreciation and other amounts written off tangible assets

Period
ended
31/12/03
£

3,000

820

J S ELECTRICAL LIMITED

Notes to the financial statements for the period ended 31 December 2003

..... continued

4. Directors' emoluments

	Period ended 31/12/03 £
Remuneration and other benefits	10,400

5. Tax on profit on ordinary activities

	Period ended 31/12/03 £
Analysis of charge in period	
UK corporation tax	-
Total current tax charge	-
Deferred tax	
Timing differences, origination and reversal	20
Total deferred tax	20
Tax on profit on ordinary activities	20

Factors affecting tax charge for period

The tax assessed for the period is higher than the standard rate of corporation tax in the UK (- per cent).
The differences are explained below:

	2003 £
Profit on ordinary activities before taxation	8,980
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 0% .	-

J S ELECTRICAL LIMITED

Notes to the financial statements for the period ended 31 December 2003

..... continued

	Period ended 31/12/03 £
6. Dividends	
Dividends on equity shares:	
Ordinary shares - interim paid	<u>8,500</u>

An Interim dividend of £4,250 per ordinary share was paid on 31 December 2003.

7. Intangible fixed assets	Goodwill £	Total £
Cost		
Additions	60,000	60,000
At 31 December 2003	<u>60,000</u>	<u>60,000</u>
Provision for diminution in value		
Charge for period	3,000	3,000
At 31 December 2003	<u>3,000</u>	<u>3,000</u>
Net book value		
At 31 December 2003	<u>57,000</u>	<u>57,000</u>

8. Tangible fixed assets	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost			
Additions	2,000	2,100	4,100
At 31 December 2003	<u>2,000</u>	<u>2,100</u>	<u>4,100</u>
Depreciation			
Charge for the period	400	420	820
At 31 December 2003	<u>400</u>	<u>420</u>	<u>820</u>
Net book value			
At 31 December 2003	<u>1,600</u>	<u>1,680</u>	<u>3,280</u>

J S ELECTRICAL LIMITED

Notes to the financial statements for the period ended 31 December 2003

..... continued

9. Debtors	31/12/03
	£
Trade debtors	1,838
Prepayments and accrued income	995
	<u>2,833</u>

10. Creditors: amounts falling due within one year	31/12/03
	£
Bank overdraft	950
Trade creditors	12,178
Other taxes and social security costs	3,608
Directors' accounts	72,639
Accruals and deferred income	2,256
	<u>91,631</u>

11. Provisions for liabilities and charges

	Deferred taxation (Note 12) £	Total £
Movements in the year	20	20
At 31 December 2003	<u>20</u>	<u>20</u>

J S ELECTRICAL LIMITED

Notes to the financial statements for the period ended 31 December 2003

..... continued

12. Provision for deferred taxation	31/12/03
	£
Accelerated capital allowances	20
	<u> </u>
Deferred tax charge in profit and loss account	20
	<u> </u>
Provision at 31 December 2003	20
	<u> </u>
 13. Share capital	 31/12/03
	£
Authorised	
10,000 Ordinary shares of £1 each	10,000
	<u> </u>
 Allotted, called up and fully paid	
2 Ordinary shares of £1 each	2
	<u> </u>
Two Ordinary shares of £1 each were issued at par value on incorporation.	
 14. Reconciliation of movements in shareholders' funds	 31/12/03
	£
Profit for the period	8,960
Dividends	(8,500)
	<u> </u>
	460
Net proceeds of equity share issue	2
	<u> </u>
Net addition to shareholders' funds	462
	<u> </u>