LAL PROPERTY LIMITED

Directors' Report and Financial Statements
For the year ended 31 January 2008

Company Number 5666609

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LAL PROPERTY LIMITED

COMPANY INFORMATION

DIRECTORS	Dmitry Bocharov Artem Bocharov
SECRETARY	F & D Company Services Limited
COMPANY NUMBER	5666609
REGISTERED OFFICE	Bushbury House 435 Wilmslow Road Withington Manchester M20 4AF
ACCOUNTANTS	Madisons Bushbury House 435 Wilmslow Road Withington Manchester M20 4AF

LAL PROPERTY LIMITED

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DIRECTORS' REPORT
for the year ended 31 January 2008

The directors present their report and the financial statements for the year ended 31 January 2008

PRINCIPAL ACTIVITIES

The companys principal activity is that of development and sale or real estate in Bulgaria

DIRECTORS

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

	Ordinary Share shares of £1 each	
	31/1/08	*1/2/07*
Dmitry Bocharov	-	-
Artem Bocharov	-	-

The report of the directors has been 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 28 July 2008 and signed on its behalf

Artem Bocharov
Director

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF LAL PROPERTY LIMITED

In accordance with the engagement letter dated 31 October 2007, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the Profit and loss account the Balance sheet and the related notes 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 as at 31 January 2008 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

MADISONS

Bushbury House
435 Wilmslow Road
Withington
Manchester
M20 4AF

28 July 2008

PROFIT AND LOSS ACCOUNT
for the year ended 31 January 2008

	Note	2008 £	*2007 £*
TURNOVER	1	**9,700**	-
Administrative expenses		**(18,570)**	*(7,038)*
OPERATING LOSS	2	**(8,870)**	*(7,038)*
Interest receivable		**14**	*26*
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		**(8,856)**	*(7,012)*
Tax on loss on ordinary activities		-	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	6	**(8,856)**	*(7,012)*

The notes on pages 5 to 7 form part of these financial statements

BALANCE SHEET
as at 31 January 2008

	Note	£	2008 £	£	2007 £
FIXED ASSETS					
Tangible fixed assets	3		**192**		*256*
CURRENT ASSETS					
Cash at bank		**2,827**		*649*	
CREDITORS: amounts falling due within one year	4	**(17,887)**		*(6,917)*	
NET CURRENT LIABILITIES			**(15,060)**		*(6,268)*
TOTAL ASSETS LESS CURRENT LIABILITIES			**(14,868)**		*(6,012)*
CAPITAL AND RESERVES					
Called up share capital	5		**1,000**		*1,000*
Profit and loss account	6		**(15,868)**		*(7,012)*
SHAREHOLDERS' DEFICIT			**(14,868)**		*(6,012)*

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Act The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 January 2008 and of its loss for the year then ended in accordance with the requirements of section 226 of the Act and which otherwise comply with the requirements of the Companies Act 1985 relating to the financial statements so far as applicable to the company

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 July 2008

Artem Bocharov
Director

The notes on pages 5 to 7 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 January 2008

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

1.2 TURNOVER

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts

1.3 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Furniture & Equipment	-	25%	reducing balance

2. OPERATING LOSS

The operating loss is stated after charging

	2008	*2007*
	£	*£*
Depreciation of tangible fixed assets		
- owned by the company	**64**	*85*
Accountancy	**1,245**	*1,245*
Directors' emoluments	**14,200**	*-*

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 January 2008

3. TANGIBLE FIXED ASSETS

	Plant and machinery £
COST	
At 1 February 2007 and 31 January 2008	**341**
DEPRECIATION	
At 1 February 2007	**85**
Charge for the year	**64**
At 31 January 2008	**149**
NET BOOK VALUE	
At 31 January 2008	**192**
At 31 January 2007	*256*

4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008 £	*2007 £*
Social security and other taxes	**2,610**	-
Other creditors	**15,277**	*6,917*
	17,887	*6,917*

5. SHARE CAPITAL

	2008 £	*2007 £*
AUTHORISED, ALLOTTED, CALLED UP AND FULLY PAID		
1,000 Ordinary Share shares of £1 each	**1,000**	*1,000*

6. RESERVES

	Profit and loss account £
At 1 February 2007	**(7,012)**
Loss for the year	**(8,856)**
At 31 January 2008	**(15,868)**

7. CONTROLLING PARTY

The company share capital is owed 100% by Lalov Egrek Limited a company registered in Bulgaria The directors are the controlling shareholders of the company

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT
for the year ended 31 January 2008

	Page	2008 £	2007 £
Turnover	9	**9,700**	-
Less: Overheads			
Administration expenses	9	**(18,570)**	*(7,038)*
Operating loss		**(8,870)**	*(7,038)*
Interest receivable	9	**14**	*26*
Loss for the year		**(8,856)**	*(7,012)*

SCHEDULE TO THE DETAILED ACCOUNTS
for the year ended 31 January 2008

	2008 £	2007 £
Turnover		
Sales - UK - type 1	9,700	-

	2008 £	2007 £
Administration expenses		
Directors salaries	14,200	-
Staff national insurance	1,706	-
Hotels, travel and subsistence	-	168
Printing and stationery	22	82
Legal and professional	118	244
Accountancy	1,245	1,245
Equipment hire	-	721
Bank charges	496	-
Sundry expenses	100	30
Depreciation	64	85
Exhibition Costs	-	3,337
Office Rent	619	1,126
	18,570	7,038

	2008 £	2007 £
Interest receivable		
Bank interest receivable	14	26