

CHANRAI INTERNATIONAL LIMITED

Company No: 630005

AUDITORS' REPORT AND ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 30TH JUNE 2006



CHANRAI INTERNATIONAL LIMITED

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**WILKINS KENNEDY
CHARTERED ACCOUNTANTS
BRIDGE HOUSE
LONDON BRIDGE
LONDON SE1 9QR**

CHANRAI INTERNATIONAL LIMITED

INDEPENDENT AUDITORS' REPORT

TO

CHANRAI INTERNATIONAL LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 4, together with the accounts of the company for the year ended 30th June 2006 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

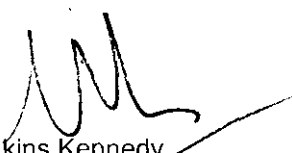
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246(5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the accounts, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.



Wilkins Kennedy
Chartered Accountants and
Registered Auditor,
Bridge House,
London Bridge,
London SE1 9QR.

2nd October 2006

CHANRAI INTERNATIONAL LIMITED

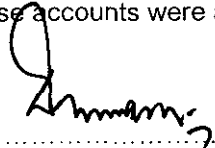
ABBREVIATED BALANCE SHEET

30TH JUNE 2006

	Note	2006	2005
Fixed assets			
Tangible assets	(2)	<u>24,586</u>	<u>29,528</u>
Current assets			
Debtors		827,534	832,460
Cash at bank and in hand		<u>80,539</u>	<u>130,028</u>
		908,073	962,488
Creditors: amounts falling due within one year		<u>(15,744)</u>	<u>(33,496)</u>
Net current assets		<u>892,329</u>	<u>928,992</u>
Net assets		<u>£916,915</u>	<u>£958,520</u>
Capital and reserves			
Called up share capital	(3)	1,000,000	1,000,000
Profit and loss account		<u>(83,085)</u>	<u>(41,480)</u>
Shareholders' funds		<u>£916,915</u>	<u>£958,520</u>

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

These accounts were approved by the board on 29th September 2006



 D.D. Chanrai

The accompanying notes are an integral part of this balance sheet.

CHANRAI INTERNATIONAL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 30TH JUNE 2006

1. Accounting policies

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

(a) Basis of accounting

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

(b) Tangible fixed assets

Fixed assets are stated at original cost less aggregate depreciation.

Depreciation is provided at rates calculated to write-off the cost (or valuation), less estimated residual value, of each asset over its estimated useful life as follows:-

Furniture and fittings	10% written down basis
Computer equipment	33 ¹ / ₃ % straight line

(c) Taxation

The charge for taxation is based on results for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for accounting and taxation purposes.

(d) Foreign currency conversions

Trading transactions denominated in foreign currencies are recorded in sterling at average rates for the year. Monetary assets and liabilities denominated in foreign currencies at the year end are reported at the rates of exchange prevailing at the year end. All exchange differences on conversion or translation are for the account of trade associates.

(e) Leased assets

Rentals applicable to operating leases are recognised in the profit and loss account as incurred.

(f) Cash flow statement

The company has taken 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. Tangible fixed assets	2006	2005
Cost or valuation		
At beginning of year	78,319	71,783
Additions	1,190	6,536
	<hr/>	<hr/>
At end of year	79,509	78,319
	<hr/>	<hr/>
Depreciation		
At beginning of year	48,791	41,604
Charge for the year	6,132	7,187
	<hr/>	<hr/>
At end of year	54,923	48,791
	<hr/>	<hr/>
Net book value		
At end of year	£24,586	£29,528
	<hr/>	<hr/>
At beginning of year	£29,528	£30,179
	<hr/>	<hr/>

CHANRAI INTERNATIONAL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 30TH JUNE 2006

3.	Called up share capital	2006	2005
	Authorised:		
	2,000,000 Ordinary shares of £1 each	£2,000,000	£2,000,000
		<hr/>	<hr/>
	Allotted, called up and fully paid:		
	1,000,000 Ordinary shares of £1 each	£1,000,000	£1,000,000
		<hr/>	<hr/>

4. Ultimate parent undertaking

The company is a wholly owned subsidiary of Chanrai Holdings Limited, a company registered in Jersey. The directors regard Kewalram Chanrai Holdings Limited, a company registered in Jersey, as being the ultimate parent company.