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ESKAR INTERNATIONAL LIMITED

FINANCIAL ACCOUNTS FOR THE  
YEAR ENDED 28TH FEBRUARY 2005



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COMPANIES HOUSE 23/12/2005

ESKAR INTERNATIONAL LIMITED

DIRECTORS:	S Karimzadeh E Karimzadeh
SECRETARY:	S Karimzadeh
REGISTERED OFFICE:	Boundary House 91-93 Charterhouse Street London EC1 6HR
REGISTERED NUMBER:	708736
AUDITORS:	Tobin Associates

ESKAR INTERNATIONAL LIMITED  
FINANCIAL ACCOUNTS  
FOR THE YEAR ENDED 28TH FEBRUARY 2005

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The following page does not form part of the Statutory Accounts

**Appendix**

1. Trading and Profit and Loss Account

**ESKAR INTERNATIONAL LIMITED****REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 28TH FEBRUARY 2005**

The directors present their annual report with the accounts of the company for the year ended 28th February 2005.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was importing skins and agricultural and produce

**DIRECTORS**

The directors in office in the year and their beneficial interests in the company's issued ordinary share capital were as follows:

	<b>Ordinary Shares of £1 each</b>	
	<b><u>2005</u></b>	<b><u>2004</u></b>
S Karimzadeh	109,563,000	109,563,000
E Karimzadeh	16,001,000	16,001,000

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial accounts the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial accounts;
- prepare the financial accounts 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 accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


**AUDITORS**

The auditors Tobin Associates are deemed to be reappointed in accordance with section 386 of the Companies Act 1985.

**SMALL COMPANY EXEMPTIONS**

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

Signed on behalf of the  
board of directors



S Karimzadeh  
Director

21st December 2005

# TOBIN ASSOCIATES

ACCOUNTANTS & REGISTERED AUDITORS

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020-7608 3633

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91-93 Charterhouse Street  
London EC1M 6HR.

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020-7608 3201

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YOUR REF

OUR REF

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## AUDITORS' REPORT TO THE SHAREHOLDERS OF ESKAR INTERNATIONAL LIMITED

We have audited the financial accounts on pages 3 to 7 for the year ended 28th February 2005. These financial statements have been prepared in accordance with the Financial Reporting Standard For Smaller Entities (effective June 2002), under the historical cost convention and accounting policies set out on page 5.

### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1 the company's directors are responsible for the preparation of financial accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

### BASIS OF OPINION

We conducted our audit in accordance with 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial accounts, 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 accounts 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 accounts.

### OPINION

In our opinion the financial accounts give a true and fair view of the state of the company's affairs as at 28th February 2005 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



TOBIN ASSOCIATES

21st December 2005

SR

Partners: F. TOBIN F.C.C.A. Z. RAHMAN B. COM. F.C.C.A.

Associates: - J.J. SHARIFF B. COM. (HONS) S. KARIM F.C.A.

Registered to carry on audit work by the Institute of Chartered Accountants in England & Wales

**ESKAR INTERNATIONAL LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 28TH FEBRUARY 2005**

	<u>Notes</u>	<u>2005</u>		<u>2004</u>	
		£	£	£	£
TURNOVER	1		2,300		44,180
Cost of Sales			904		100
<u>GROSS PROFIT</u>			1,396		44,080
Net Operating Expenses					
Administrative Expenses			21,833		31,118
(LOSS)/PROFIT ON ORDINARY ACTIVITIES <u>BEFORE TAXATION</u>			(20,437)		12,962
Tax on Ordinary Activities			-		2,000
(LOSS)/PROFIT ON ORDINARY ACTIVITIES <u>AFTER TAXATION</u>			£ (20,437)		£ 10,962

**STATEMENT OF RETAINED EARNINGS**

Loss Brought Forward	(91,981)	(102,943)
Retained (Loss)/Profit for the Year	(20,437)	10,962
<u>RETAINED LOSS CARRIED FORWARD</u>	£ (112,418)	£ (91,981)

None of the company's activities were acquired or discontinued during the above two financial years.

There were no recognised gains or losses other than the profit or loss for the above two financial years.

The annexed notes form part of these accounts.

**ESKAR INTERNATIONAL LIMITED****BALANCE SHEET**  
**AS AT 28TH FEBRUARY 2005**

	<u>Notes</u>	<u>2005</u>	<u>2004</u>
		£	£
<b>FIXED ASSETS</b>			
Tangible Assets	3	1,949	1,924
<b>CURRENT ASSETS</b>			
Stock		18,000	18,904
Debtors	4	194,141	197,353
Investments	5	19,557,480	25,275,033
Cash at Bank		114,800,850	109,082,452
		<u>134,570,471</u>	<u>134,573,742</u>
<b>CREDITORS : Amounts Falling Due within One Year</b>	6	<u>9,114,838</u>	<u>9,097,647</u>
<b>NET CURRENT ASSETS</b>		<u>125,455,633</u>	<u>125,476,095</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>£ 125,457,582</u>	<u>£ 125,478,019</u>
<b>CAPITAL AND RESERVES</b>			
Share Capital	7	125,570,000	125,570,000
Profit and Loss Account		(112,418)	(91,981)
<b>TOTAL <u>SHAREHOLDERS' FUNDS</u></b>	8	<u>£125,457,582</u>	<u>£ 125,478,019</u>

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the  
board of directors



S Karimzadeh  
Director

Approved by the board: 21st December 2005

The annexed notes form part of these accounts.

**ESKAR INTERNATIONAL LIMITED****NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 28TH FEBRUARY 2005****1. ACCOUNTING POLICIES****Basis of Accounting**

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

**Turnover**

Turnover represents the net invoices rendered, excluding VAT.

**Tangible Fixed Assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Plant and Equipment	15% on written down value
Fixtures and Fittings	15% on written down value

**Stocks**

Stocks is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items.

**Deferred Taxation**

No provision has been made for deferred Taxation.

**Cash Flow Statement**

The company has taken advantage of the exemption provided by Financial Reporting Standard 1 and has not prepared a cash flow statement.

**2. OPERATING (LOSS)/PROFIT**

The Operating Loss (2004 - Profit) is stated after charging:

	<u>2005</u>	<u>2004</u>
	£	£
Depreciation of Tangible Fixed Assets	343	339
Auditors' Remuneration	2,000	1,800
	<u>          </u>	<u>          </u>



NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 28TH FEBRUARY 2005

3. TANGIBLE FIXED ASSETS

	Plant & Equipment £	Fixtures & Fittings £	TOTAL £
<b>COST</b>			
At 1st March 2004	3,267	7,526	10,793
Additions in the year	370	-	370
	<hr/>	<hr/>	<hr/>
At 28th February 2005	3,637	7,526	11,163
	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>			
At 1st March 2004	2,200	6,669	8,869
Charge for the year	216	129	345
	<hr/>	<hr/>	<hr/>
At 28th February 2005	2,416	6,798	9,214
	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>			
At 28th February 2005	1,221	728	1,949
	<hr/>	<hr/>	<hr/>
At 29th February 2004	1,067	857	1,924
	<hr/>	<hr/>	<hr/>

4. DEBTORS

	<u>2005</u> £	<u>2004</u> £
Amounts due within one year:		
Trade Debtors	-	-
Other Debtors	194,141	197,353
	<hr/>	<hr/>
	194,141	197,353
	<hr/>	<hr/>

5. CURRENT ASSET INVESTMENTS

	<u>2005</u> £	<u>2004</u> £
Hampton Securities	4,403	4,403
Quantum Investment Trust (Jersey)	19,553,073	25,270,626
Investment in Subsidiaries	4	4
	<hr/>	<hr/>
	19,557,480	25,275,033
	<hr/>	<hr/>

6. CREDITORS: Amounts Falling  
Due within One Year

	<u>2005</u> £	<u>2004</u> £
Other Creditors	1,220	472
Directors Loan Accounts	9,113,618	9,097,175
	<hr/>	<hr/>
	9,114,838	9,097,647
	<hr/>	<hr/>

ESKAR INTERNATIONAL LIMITED  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 28TH FEBRUARY 2005

7. SHARE CAPITAL

	<u>2005</u>	<u>2004</u>
	£	£
Authorised: Ordinary £1 Shares	200,000,000	200,000,000
	<u>                    </u>	<u>                    </u>
Allotted, Issued and Fully Paid	125,570,000	125,570,000
	<u>                    </u>	<u>                    </u>

8. RECONCILIATION OF MOVEMENTS IN  
SHAREHOLDERS' FUNDS

	<u>2005</u>	<u>2004</u>
	£	£
(Loss)/profit for the financial year	( 20,437)	10,964
New share capital subscribed	-	8,000,000
	<u>                    </u>	<u>                    </u>
Net addition to shareholders' funds	( 20,437)	8,010,964
Opening shareholders' funds	125,478,019	117,467,055
	<u>                    </u>	<u>                    </u>
Closing shareholders' funds	125,457,582	125,478,019
	<u>                    </u>	<u>                    </u>