

Company Number: 0887798

**CONJOINT EXPORT SERVICES (NEAR EAST)
LIMITED**

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 MARCH 2006



**PB ASSOCIATES
CHARTERED ACCOUNTANTS**
29-39 London Road
Twickenham
Middlesex
TW1 3SZ

19 October 2006

CONJOINT EXPORT SERVICES (NEAR EAST) LIMITED**DIRECTORS' REPORT****FOR THE YEAR ENDED 31 MARCH 2006**

The directors present their report and the unaudited accounts of the company for the year ended 31 March 2006.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of Export Sales Consultants and Commercial Sales Representatives engaged in the direct export of goods.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

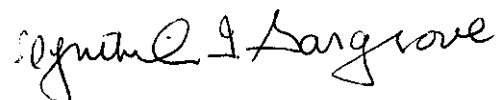
The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 March 2006	At 1 April 2005
Mr L.B.J Sargrove	25	25
Mrs C.I Sargrove	25	25
Mr P Wohanka	1	1
Mr R Gasston	<u>38</u>	<u>38</u>

SMALL COMPANY PROVISIONS

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

Signed by order of the directors



MRS C I SARGROVE
Company Secretary

Approved by the directors on 19.10.'06

CONJOINT EXPORT SERVICES (NEAR EAST) LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2006

	Note	2006 £	2005 £
TURNOVER		2,598,911	2,725,242
Cost of sales		2,261,843	2,341,896
GROSS PROFIT		<u>337,068</u>	<u>383,346</u>
Administration expenses		(337,929)	(355,448)
Other operating income	2	27,074	(10,368)
OPERATING PROFIT	4	<u>26,213</u>	<u>17,530</u>
Interest receivable		7,272	5,687
Interest payable			(99)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>33,485</u>	<u>23,118</u>
Tax on profit on ordinary activities		5,802	3,620
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>27,683</u>	<u>19,498</u>
Dividends (including non-equity)	5	13,000	13,000
RETAINED PROFIT FOR THE FINANCIAL YEAR		<u>14,683</u>	<u>6,498</u>
Balance brought forward		91,852	85,354
Balance carried forward		<u>106,535</u>	<u>91,852</u>

The notes on pages 4 to 6 form part of these accounts.

BALANCE SHEET AS AT 31 MARCH 2006

	Note	2006 £	2005 £
FIXED ASSETS			
Tangible assets	6	21,099	19,945
CURRENT ASSETS			
Stocks		20,460	7,233
Debtors	7	261,914	254,522
Cash at bank and in hand		176,045	185,664
		<u>458,419</u>	<u>447,419</u>
CREDITORS: Amounts falling due within one year	8	<u>242,883</u>	<u>245,412</u>
NET CURRENT ASSETS		<u>215,536</u>	<u>202,007</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>236,635</u>	<u>221,952</u>
CAPITAL AND RESERVES			
Called-up share capital	10	130,100	130,100
Profit and loss account		106,535	91,852
SHAREHOLDERS' FUNDS (including non-equity interests)		<u>236,635</u>	<u>221,952</u>

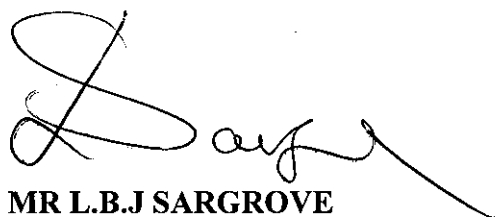
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) 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 the Act relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

These accounts were approved by the directors on ...19.10.06... and are signed on their behalf by:



MR L.B.J SARGROVE
Director

CONJOINT EXPORT SERVICES (NEAR EAST) LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 MARCH 2006****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 January 2005).

Turnover

Turnover represents the amounts invoiced for sales of goods and services, inclusive of freight and packing charges and commissions receivable, and exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Furniture, Fittings & Equipment	-	25% reducing balance
Computer Installations	-	33% reducing balance
Office Improvements	-	10% reducing balance

Stocks

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

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Foreign currencies

Income and expenditure incurred in foreign currency is converted at the rate applicable at the date of the receipt or payment.

Foreign currency held at the year end is converted at the rate applicable at the year end.

2. OTHER OPERATING INCOME

	2006	2005
	£	£
Exchange gains/(losses)	<u>27,074</u>	<u>(10,368)</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2006 (contd.)

3. TURNOVER

The geographical analysis of turnover in the year was as follows:

	2006	2005
	£	£
Near & Middle East	2,265,158	2,412,088
Far East	53,690	47,582
South America	78,050	66,563
Asia	11,661	21,368
European Union, excluding UK	24,221	18,010
United Kingdom	136,532	144,041
Africa	29,599	14,828
United States of America	—	762
	<u>2,598,911</u>	<u>2,725,242</u>

4. OPERATING PROFIT

Operating profit is stated after charging:

Directors' emoluments	27,605	32,664
Directors' pension contributions	3,000	3,000
Depreciation	<u>7,181</u>	<u>6,125</u>

5. DIVIDENDS

The following dividends have been proposed in respect of the year:

Proposed dividend on preference shares	<u>13,000</u>	<u>13,000</u>
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6. TANGIBLE FIXED ASSETS

	Fixtures & Fittings	Office Improvements	Total
	£	£	£
COST			
At 1 April 2005	45,195	12,427	57,622
Additions	<u>8,335</u>	<u>—</u>	<u>8,335</u>
At 31 March 2006	<u>53,530</u>	<u>12,427</u>	<u>65,957</u>
DEPRECIATION			
At 1 April 2005	34,309	3,368	37,677
Charge for the year	<u>6,275</u>	<u>906</u>	<u>7,181</u>
At 31 March 2006	<u>40,584</u>	<u>4,274</u>	<u>44,858</u>
NET BOOK VALUE			
At 31 March 2006	<u>12,946</u>	<u>8,153</u>	<u>21,099</u>
At 31 March 2005	<u>10,886</u>	<u>9,059</u>	<u>19,945</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2006 (contd.)

7. DEBTORS

	2006 £	2005 £
Trade debtors	236,042	206,847
Other debtors	25,872	47,675
	<u>261,914</u>	<u>254,522</u>

8. CREDITORS: Amounts falling due within one year

Trade creditors	194,581	200,741
Corporation tax	5,802	3,624
Other taxation and social security	5,113	4,984
Other creditors	37,387	36,063
	<u>242,883</u>	<u>245,412</u>

9. RELATED PARTY TRANSACTIONS

The Company occupies offices owned by one of the directors, Mr. L.B.J. Sargrove. The rent payable, which is considered to be the open market rent, amounted to £18,000 (2005 - £18,000) in the year.

10. SHARE CAPITAL

Authorised share capital:

	2006 £	2005 £
100 Ordinary shares of £1 each	100	100
130,000 Preference shares of £1 each	130,000	130,000
	<u>130,100</u>	<u>130,100</u>

Allotted, called up and fully paid:

	2006		2005	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100
Preference shares of £1 each	130,000	130,000	130,000	130,000
	<u>130,100</u>	<u>130,100</u>	<u>130,100</u>	<u>130,100</u>

The Preference Shares carry the right to fixed cumulative dividends in preference to dividends payable on Ordinary Shares and to repayment of capital on a winding-up. They do not carry voting rights at any general meeting unless the fixed, cumulative, preferential dividend is six months or more in arrears, or the meeting includes a resolution for the sale of the company, or for reducing the capital of the company or abrogating or otherwise dividing or adversely modifying any rights, privileges or conditions attached to the Preference Shares.