

**CHINA ADVERTISING LIMITED**  
**DIRECTORS' REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2001**



**Company No. 2828652**

**CHINA ADVERTISING LIMITED**

DIRECTORS :

Tung Tao Chan  
Pak Wai Cheung

SECRETARY :

Tung Tao Chan

REGISTERED OFFICE :

66 Shaftesbury Avenue  
London W1D 6LX

ACCOUNTANTS :

KAM LEE ASSOCIATES  
Chartered Certified Accountants  
& Registered Auditors

66 Shaftesbury Avenue  
London W1D 6LX

BANKERS:

Bank of China  
107 Shaftesbury Avenue  
London W1V 8DA

**CHINA ADVERTISING LIMITED**  
**REPORT OF THE DIRECTORS**

The Directors present their report with the Accounts of the company for the year ended 31 December 2001 as follows :

PRINCIPAL ACTIVITIES

The principal activity of the company was that of Advertising.

There has been no trading income in the year.

DIVIDENDS

The Directors do not recommend the payment of dividend.

DIRECTORS

The Directors of the company throughout the period and their interest in the share capital of the company were as follows :-

	Ordinary Shares of £1 each	
	<u>At 31 December 2001</u>	<u>At 31 December 2000</u>
Tung Tao Chan	1	1
Pak Wai Cheung	1	1

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period. In preparing these financial statements, the directors have:

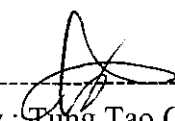
- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- followed applicable accounting standards; and
- prepared the financial statements on the going concern basis.

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 statements 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.

CLOSE COMPANY STATUS

In the opinion of the Directors, the company is a close company within the meaning of the Income and Corporation Taxes Act 1988.

BY ORDER OF THE BOARD

  
-----  
Secretary : Tung Tao Chan

**CHINA ADVERTISING LIMITED**

**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2001**

	<u>NOTES</u>	<u>2001</u> £	<u>2000</u> £
<u>TURNOVER</u>	2	-	-
<u>Less: Administrative Expenses</u>		(250)	(250)
Interest Payable & Similar Charges	3	-	(1)
		-----	-----
<u>(LOSS) BEFORE TAXATION</u>	4	(250)	(251)
<u>TAXATION</u>		-	-
		-----	-----
<u>(LOSS) AFTER TAXATION</u>		(250)	(251)
<u>RETAINED (LOSS) BROUGHT FORWARD</u>		(1,957)	(1,706)
		-----	-----
<u>RETAINED (LOSS) CARRIED FORWARD</u>		(2,207)	(1,957)
		=====	=====

The notes on page 5 form part of these Accounts.

**CHINA ADVERTISING LIMITED**  
**BALANCE SHEET**  
**AT 31 DECEMBER 2001**

	<u>NOTES</u>	<u>2001</u> £	<u>2000</u> £
<u>CURRENT ASSETS</u>			
Cash at Bank & in Hand		5,017	5,269
<u>CREDITORS</u> : Amounts falling due within one year	5	(235)	(235)
		-----	-----
<u>NET CURRENT ASSETS</u>		4,782	5,034
<u>CREDITORS</u> : Amounts falling due after more than one year	6	(6,989)	(6,989)
		-----	-----
		(2,207)	(1,955)
		=====	=====
<u>CAPITAL AND RESERVES</u>			
Share Capital	7	2	2
Profit and Loss Account		(2,207)	(1,957)
		-----	-----
		(2,207)	(1,955)
		=====	=====

EXEMPTION FROM AN AUDIT

For the year ended 31 December 2001 the company was entitled to exemption under S249A(1) of Companies Act 1985.

No notice has been deposited under S249B(2) of the Act in relation to the company's accounts for the financial year.

The directors acknowledges their responsibility for:-

- i ensuring that the company keeps accounting records which comply with S221 and;
- ii preparing accounts which give a true and fair view in accordance with the requirements of S226 and which otherwise comply with the requirements of the Companies Act 1985.

The accounts have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities.

Signed on behalf of the Board :

Director .....  
Pak Wai Cheung

Date ..... 30/9/2002

The notes on page 5 form part of these Accounts.

# CHINA ADVERTISING LIMITED

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2001

#### 1. ACCOUNTING POLICIES

The Accounts have been prepared under the historical cost convention.

#### 2. TURNOVER

Turnover represents the invoiced amounts of goods sold and services provided.

#### 3. INTEREST PAYABLE AND SIMILAR CHARGES

	<u>2001</u>	<u>2000</u>
	£	£
Bank charges and interest	-	1
	=	=

#### 4. LOSS BEFORE TAXATION

This is stated after charging:-

Accountancy Fee	235	235
	==	==

#### 5. CREDITORS : Amounts falling due within one year

Accruals	235	235
	==	==

#### 6. CREDITORS: Amounts falling due after more than one year

Directors' Loan	6,989	6,989
	==	==

#### 7. SHARE CAPITAL

Authorised Share Capital		
1,000 Ordinary Shares of £1 each	1,000	1,000
	==	==

Issued Share Capital		
2 Ordinary Shares of £1 each	2	2
	=	=

**CHINA ADVERTISING LIMITED**

**ACCOUNTANTS' REPORT**

Without conducting an audit, we have prepared financial statements for the year ended 31 December 2001 from the books and vouchers kept by directors, and from information and explanations given to us and we hereby certify that it is in accordance therewith.



**Kam Lee Associates**  
**Chartered Certified Accountants**

**66 Shaftesbury Avenue**  
**London W1D 6LX**

Date *30th* SEPTEMBER 2002