

Apol Investments Limited

FINANCIAL STATEMENTS

31 December 2000



Company Registration No. 3066977

Apol Investments Limited
DIRECTORS AND OFFICERS

DIRECTORS

A W O'Leary
Mrs P R O'Leary

SECRETARY

Mrs P R O'Leary

REGISTERED OFFICE

9 Cranbrook Road
Ilford
Essex
IG1 4EA

Apol Investments Limited

DIRECTORS' REPORT

The directors submit their report and the financial statements of Apol Investments Limited for the year ended 31 December 2000.

PRINCIPAL ACTIVITIES

The principal activity of the company continued to be that of property investment and the hiring and leasing of plant and vehicles.

DIRECTORS

The following directors have held office since 1 January 2000:-

A W O'Leary
Mrs P R O'Leary

DIRECTORS' INTERESTS

The directors' beneficial interests in the shares of the company were as stated below:

	Ordinary shares of £1 each	
	31 December 2000	1 January 2000
A W O'Leary	1	1
Mrs P R O'Leary	1	1

By order of the board



Mrs P R O'Leary
Director

31-Oct - 2001

Apol Investments Limited
PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2000

	Notes	2000 £	1999 £
TURNOVER		136,734	136,236
Administrative expenses		(42,758)	(12,327)
OPERATING PROFIT	1	<u>93,476</u>	<u>123,909</u>
Interest receivable and similar income	2	678	554
Interest payable and similar charges	3	(3,416)	(11,817)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>90,738</u>	<u>112,646</u>
Tax on profit on ordinary activities	5	(14,000)	(9,025)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	12	<u><u>76,738</u></u>	<u><u>103,621</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

Apol Investments Limited

BALANCE SHEET

as at 31 December 2000

	Notes	2000	1999
		£	£
FIXED ASSETS			
Tangible assets	6	1,322,694	1,316,409
Investments	7	2	2
		<u>1,322,696</u>	<u>1,316,411</u>
CURRENT ASSETS			
Debtors	8	34,446	29,446
Cash at bank and in hand		117,596	54,208
		<u>152,042</u>	<u>83,654</u>
CREDITORS: Amounts falling due within one year	9	(314,452)	(294,618)
NET CURRENT LIABILITIES		<u>(162,410)</u>	<u>(210,964)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,160,286</u>	<u>1,105,447</u>
CREDITORS: Amounts falling due after more than one year	10	-	(21,899)
		<u>1,160,286</u>	<u>1,083,548</u>
CAPITAL AND RESERVES			
Called up share capital	12	2	2
Revaluation reserve	13	792,984	792,984
Profit and loss account	13	367,300	250,562
EQUITY SHAREHOLDERS' FUNDS	14	<u>1,160,286</u>	<u>1,083,548</u>

In preparing these financial statements:

- The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- The directors acknowledge their responsibilities for:
 - ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - 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 this Act relating to accounts, so far as applicable to the company.

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

Approved by the Board on

A W O'Leary
Director

31 / 12 / 2001.
Second Time

Apol Investments Limited

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES for the year ended 31 December 2000

	2000 £	1999 £
Profit for the financial year	76,738	103,621
Unrealised surplus on revaluation of properties	-	792,984
Total recognised gains and losses relating to the year	<u>76,738</u>	<u>896,605</u>

Apol Investments Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2000

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold property and in accordance with applicable accounting standards.

TURNOVER

Turnover represents the amount invoiced, excluding value added tax, in respect of rents receivable and the leasing of plant and vehicles.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings freehold	see below
Fixtures, fittings and equipment	25% Straight Line
Motor vehicles	25% Straight Line

Freehold buildings are depreciated to write down the cost less estimated residual value over the remaining useful life by equal annual instalments. Where buildings are maintained to such a standard that their estimated residual value is not less than their cost or valuation, no depreciation is charged as it is not material.

In accordance with SSAP 19 investment properties are revalued annually and the aggregate surplus or deficit is transferred to the investment revaluation reserve. Accordingly no depreciation is provided in respect of investment properties. The requirement of the Companies Act 1985 is to depreciate all properties, but that requirement conflicts with SSAP 19. The directors consider that as investment properties are not for consumption but for investment, to depreciate them would not give a true and fair view.

If this departure from the Act had not been made the profit for the financial year would have been reduced by depreciation on the revalued properties of £26,000 assuming a depreciation rate of 2% per annum.

LEASING AND HIRE PURCHASE COMMITMENTS

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Assets held for use in operating leases are included as a separate category in fixed assets at cost and are depreciated over their useful lives. Rental income from operating leases is recognised on a straight line basis over the term of the lease.

INVESTMENTS

Fixed asset investments are stated at cost less provision for diminution in value.

DEFERRED TAXATION

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

GROUP ACCOUNTS

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

Apol Investments Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2000

1. OPERATING PROFIT

	2000 £	1999 £
Operating profit is stated after charging:		
Depreciation of tangible assets	11,688	4,517
and after crediting		
Rents receivable in respect of operating leases.	17,976	17,976

2. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	2000 £	1999 £
Bank interest	678	554

3. INTEREST PAYABLE

	2000 £	1999 £
On bank loans and overdrafts	3,416	10,577
Hire purchase interest	-	1,010
Interest on overdue tax	-	230
	3,416	11,817

4. DIRECTORS' EMOLUMENTS

No director received any emoluments in the year.

5. TAXATION

	2000 £	1999 £
UK Current year taxation:		
UK Corporation tax at 20% (1999: 20%)	14,000	9,025

Apol Investments Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2000

6. TANGIBLE FIXED ASSETS

	<i>Plant and machinery</i>	<i>Land and buildings £</i>	<i>Fixtures, fittings & equipment £</i>	<i>Motor vehicles £</i>	<i>Total £</i>
Cost/valuation					
At 1 January 2000	-	1,300,000	7,682	44,667	1,352,349
Additions	15,684	-	-	-	15,684
Disposals	-	-	-	(2,000)	(2,000)
At 31 December 2000	15,684	1,300,000	7,682	42,667	1,366,033
Depreciation					
At 1 January 2000	-	-	4,400	31,540	35,940
Charge in the year	3,921	-	821	3,532	8,274
Disposals	-	-	-	(875)	(875)
At 31 December 2000	3,921	-	5,221	34,197	43,339
Net book value					
31 December 2000	11,763	1,300,000	2,461	8,470	1,322,694
31 December 1999	-	1,300,000	3,282	13,127	1,316,409

Freehold land and buildings were revalued on 5 September 2000 by Glenny Chartered Surveyors, on the basis of open market value for existing use. The directors do not consider that there is a material difference between the value on 31 December 2000 and the valuation date of 5 September 2000. No provision has been made for deferred tax arising on a disposal of land and buildings at their revalued amount as such a disposal is considered unlikely in the foreseeable future. The historical cost of revalued land and buildings is £507,016 (1999: £507,016).

Apol Investments Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2000

7. FIXED ASSET INVESTMENTS

*Shares in
group
undertakings
and
participating
interests
£*

Cost:

At 1 January 2000 and 31 December 2000

2

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Online Technology International Limited		Ordinary	100
International Telematics Corporation Limited		Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves £	(Loss) for the year £
Online Technology International Limited	(202,883)	(23,312)
International Telematics Corporation Limited	2	-

The principal activities of Online Technology International Limited are that of the building and installation of black boxes in vehicles for the operation of Global positioning via satellite and GSM transmission and the distribution of mobile phones and accessories.

International Telematics Corporation Limited has remained dormant since incorporation.

8. DEBTORS	2000 £	1999 £
Amounts owed by subsidiary undertakings	34,446	29,446

Apol Investments Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2000

9.	CREDITORS: Amounts falling due within one year	2000	1999
		£	£
	Bank loans and overdrafts (secured)	2,137	61,932
	Trade creditors	108,430	6,045
	Taxation and social security	36,288	29,252
	Other creditors	167,597	197,389
		<u>314,452</u>	<u>294,618</u>

Other creditors includes an amount owed to the directors of £122,952 (1999: £169,436).

10.	CREDITORS: Amounts falling due after more than one year	2000	1999
		£	£
	Bank loans (secured)	-	21,899
		<u>-</u>	<u>21,899</u>
	Analysis of loans		
	Wholly repayable within five years	-	83,099
	Included in current liabilities	-	(61,200)
		<u>-</u>	<u>21,899</u>
	Loan maturity analysis		
	In more than one year but not more than two years	-	21,899
	In more than two years but not more than five years	-	-
		<u>-</u>	<u>-</u>

11. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred tax has not been provided for on freehold land and buildings, as there is no intention to sell the property. Taxation on such a sale would be approximately £237,000.

12.	SHARE CAPITAL	2000	1999
	Authorised:		
	1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
	Allotted, issued and fully paid:		
	2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

Apol Investments Limited

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2000

13. STATEMENTS OF MOVEMENTS ON PROFIT AND LOSS ACCOUNT

	Revaluation reserve £	Profit and loss account £
Balance at 1 January 2000	792,984	290,562
Retained profit for the year	-	76,738
Balance at 31 December 2000	<u>792,984</u>	<u>367,300</u>

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2000 £	1999 £
Profit for the financial year	76,738	103,621
Other recognised gains and losses	-	792,984
Net addition to shareholders' funds	<u>76,738</u>	<u>896,605</u>
Opening shareholders' funds	1,083,548	186,943
Closing shareholders' funds	<u>1,160,286</u>	<u>1,083,548</u>

15. RELATED PARTY TRANSACTIONS

The balance at the year end with Pass J Holdings Limited, a company subject to common control was £24,048 creditor (1999: £8,222 creditor).

The nature of the transactions with the above companies during the year is as follows:

Net advances £15,826 (1999: £47,348)

All of these transactions were charged at normal commercial rates.

16. CONTROL

The ultimate controlling parties are Mr and Mrs A W O'Leary.