

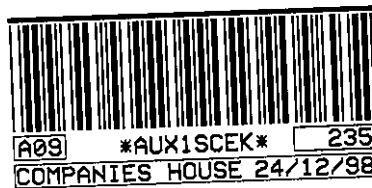
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**NEW SCIENTIFIC TECHNICAL EQUIPMENT LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 28TH FEBRUARY 1998**

**F.W. STEPHENS & CO.,  
Chartered Accountants,  
10 Charterhouse Square,  
LONDON, EC1M 6LQ.**



**NEW SCIENTIFIC TECHNICAL EQUIPMENT LIMITED**

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**FOR THE YEAR ENDED 28TH FEBRUARY 1998**

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**NEW SCIENTIFIC TECHNICAL EQUIPMENT LIMITED**

**OFFICERS AND ADVISORS**

**DIRECTORS**

A.I. Pavlov  
Mrs. M.I. Pavlova  
I. Pavlov

**SECRETARY**

Mrs. M.I. Pavlova

**REGISTERED OFFICE**

10 Charterhouse Square,  
London, EC1M 6LQ.

**REGISTERED NUMBER**

3164455

**ACCOUNTANTS**

F.W. Stephens & Co.,  
Chartered Accountants,  
10 Charterhouse Square,  
London, EC1M 6LQ.

**BANKERS**

Barclays Bank PLC.,  
1 Pall Mall East,  
London, SW1Y 5AX

# **NEW SCIENTIFIC TECHNICAL EQUIPMENT LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 28TH FEBRUARY 1998**

The directors present herewith their annual report, together with the financial statements of the company for the year ended 28th February 1998.

#### **DIRECTORS' RESPONSIBILITIES**

Company law requires us as 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 its results for the period. In preparing those financial statements the directors are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable us to ensure that the financial statements comply with the Companies Act 1985. We 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.

#### **REVIEW OF BUSINESS AND PRINCIPLE ACTIVITIES**

The principle activity of the company is that of agents and consultants for the export of equipment, principally to Russia.

#### **RESULTS OF OPERATIONS AND DIVIDENDS**

The net loss of the company during the period was £16,241. No dividends have been paid or proposed.

#### **DIRECTORS AND THEIR INTERESTS**

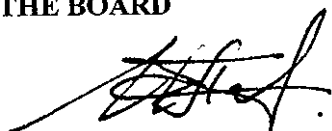
The directors who held office during the period and their interests in the shares of the company at the beginning and end of the year were:-

##### **Ordinary shares of £1 each**

A.I. Pavlov	50
Mrs. M.I. Pavlova	50
I. Pavlov (appointed 3rd June 1997)	50

#### **BY ORDER OF THE BOARD**

Ivan Pavlov  
Director



23rd December 1998

**ACCOUNTANTS' REPORT TO THE MEMBERS ON**  
**THE UNAUDITED ACCOUNTS OF**  
**NEW SCIENTIFIC TECHNICAL EQUIPMENT LIMITED**

We report on the accounts for the period ended 28th February 1998 set out on pages 4 to 8.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANTS**

As described on page 5 the company's directors are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

**BASIS OF OPINION**

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purpose of this report. These procedures provide only the assurance expressed in our opinion.

**OPINION**

In our opinion:

- (a) the accounts are in agreement with the accounting records kept by the company under Section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records;
  - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act; and
  - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the period specified in Section 249A(4) of the Act and did not, at any time within that period fall within any of the categories of companies not entitled to the exemption specified in Section 249B(1).

*F.W. Stephens & Co.*

**F.W. STEPHENS & CO.**

**CHARTERED ACCOUNTANTS**

**10 Charterhouse Square,**  
**LONDON, EC1M 6LQ.**

**23rd December 1998**

**NEW SCIENTIFIC TECHNICAL EQUIPMENT LIMITED**

**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 28TH FEBRUARY 1998**

	<u>Notes</u>	<b>1998</b> £	<b>1997</b> £
TURNOVER		92,612	165,253
Administrative expenses		<u>108,853</u>	<u>83,362</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	(16,241)	81,891
Tax on ordinary activities	4	<u>376</u>	<u>20,015</u>
		(16,617)	61,876
DIVIDEND PAID	5	<u>-</u>	<u>55,181</u>
RETAINED (LOSS)/PROFIT FOR THE YEAR		(16,617)	6,695
RETAINED PROFIT BROUGHT FORWARD		<u>6,695</u>	<u>-</u>
RETAINED (LOSS)/PROFIT CARRIED FORWARD		<u>£(9,922)</u>	<u>£6,695</u>

All activities are from continuing operations.

The company has no recognised gains and losses other than those included in the profits above, and therefore no separate statement of total recognised gains and losses has been prepared.

The attached notes form an integral part of these financial statements.

**NEW SCIENTIFIC TECHNICAL EQUIPMENT LIMITED**

**BALANCE SHEET**

**AS AT 28TH FEBRUARY 1998**

	Notes	£	1998	£	£	1997	£
FIXED ASSETS							
Tangible assets	6			29,257			1,133
CURRENT ASSETS							
Debtors and prepayments		45,844			-		
Cash at bank		40,069			30,226		
		85,913			30,226		
CREDITORS - amounts falling due within one year	7	124,942			24,514		
NET(CURRENT LIABILITIES)/ASSETS				(39,029)			5,712
NET (LIABILITIES)/ASSETS				£(9,772)			£6,845
Represented by:							
CAPITAL AND RESERVES							
Called up share capital	8			150			150
Profit and loss account				(9,922)			6,695
EQUITY SHAREHOLDERS' FUNDS	9			£(9,772)			£6,845

The directors are satisfied that the company was entitled to exemption under Subsection (2) of Section 249A of the Companies Act 1985 and that no member or members have requested an audit pursuant to Subsection (2) of Section 249B in relation to the accounts for the financial period.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 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 period and of its result for the financial period in accordance with the requirements of Section 226, and which otherwise comply with requirements of this Act relating to accounts, so far as applicable to the company.

The directors have taken advantage of the exemptions conferred by Part I of Schedule 8 of the Companies Act 1985 and have done so on the grounds that in their opinion the company is entitled to these exemptions as a small company.

Approved by the Board of Directors on 23rd December 1998

  
IVAN PAVLOV

- DIRECTOR

The attached notes form an integral part of these financial statements.

**NEW SCIENTIFIC TECHNICAL EQUIPMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**28TH FEBRUARY 1998**

**1. ACCOUNTING POLICIES**

**1.1 Accounting conventions**

The financial statements are prepared under the historical cost basis and in accordance with applicable accounting standards.

**1.2 Turnover**

Turnover represents the value of goods and services supplied to customers during the period.

**1.3 Depreciation**

Fixtures and fittings are depreciated on a straight line basis over a period of 10 years.

**2. OPERATING PROFIT**

	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Directors' emoluments	-	25,300
Depreciation	<u>3,264</u>	<u>125</u>

**3. STAFF COSTS (including directors' remuneration)**

Wages and salaries	46,454	28,050
Social security costs	-	2,210
	<u>£46,454</u>	<u>£30,260</u>

The average weekly number of employees during the period was made up as follows:

	<b>No.</b>	<b>No.</b>
Offices and management	<u>8</u>	<u>3</u>

**4. TAXATION**

The tax charge on the profit on ordinary activities for the period was as follows:

Under-provision for the previous year	376	-
UK corporation tax at 24% on profits for the year	<u>-</u>	<u>20,105</u>
	<u>376</u>	<u>20,105</u>



**NEW SCIENTIFIC TECHNICAL EQUIPMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**28TH FEBRUARY 1998**

**5. DIVIDENDS**

Dividend paid during the year	<u>-</u>	<u>£55,181</u>
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**6. TANGIBLE FIXED ASSETS**

	<b>Fixtures and Fittings £</b>
Cost:	
At 1st March 1997	1,258
Additions	31,388
At 28th February 1998	<u>32,646</u>
Depreciation:	
At 1st March 1998	125
Charge for period	3,264
At 28th February 1998	<u>3,389</u>
Net book value at 28th February 1998	<u>£29,257</u>
Net book value at 28th February 1997	<u>£1,133</u>

**7. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
Bank overdraft	2,381	-
Corporation tax	-	6,220
Advance corporation tax	-	13,795
Other taxes and social security costs	-	742
Directors' current accounts	121,061	2,257
Accruals and deferred income	1,500	1,500
	<u>£124,942</u>	<u>£24,514</u>

**8. SHARE CAPITAL**

	<b>1998</b>		<b>1997</b>	
	<b>Authorised</b>	<b>Allotted, Issued and Fully Paid</b>	<b>Authorised</b>	<b>Allotted, Issued and Fully Paid</b>
Ordinary shares of £1 each	<u>£1,000</u>	<u>£150</u>	<u>£1,000</u>	<u>£150</u>

**NEW SCIENTIFIC TECHNICAL EQUIPMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**28TH FEBRUARY 1998**

**9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS**

	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
Opening shareholders funds	6,845	-
Issue of shares	-	150
(Loss)/Profit for the financial period	(16,617)	6,695
Closing shareholders funds	<u>£(9,772)</u>	<u>£6,845</u>