

RECRUITS LIMITED

REPORT AND ACCOUNTS

PERIOD ENDED 31ST OCTOBER 1998



COMPANY NUMBER 3266206 (ENGLAND & WALES)

RECRUITS LIMITED

REPORT OF THE DIRECTOR

The Director presents his Report and the Financial Statements for the year ended 31st October 1998.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the director 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 of the company for that period. In preparing those financial statements, the director is 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 the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 Company Act 1985. He is 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.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The company has not traded during the year.

DIVIDENDS

No dividend was paid for the year.

FIXED ASSETS

There are no fixed assets

DIRECTOR

The director who served during the year and his beneficial interest in the company's issued ordinary share capital was:



C Moss

Number of Shares
1998

1

RECRUITS LIMITED

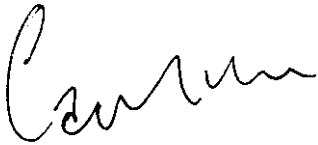
REPORT OF THE DIRECTOR (CONTINUED)

AUDITORS

There is no current requirement for auditors to be appointed.

This report was approved by the Board on 16th July 1999.

Signed on behalf of the Board of Directors

A handwritten signature in black ink, appearing to be 'C. Smith', written in a cursive style.

RECRUITS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST OCTOBER 1998

		<u>1998</u>
PROFIT & LOSS ACCOUNT		
	Notes	
TURNOVER		0
Administrative Costs		<u>0</u>
OPERATING PROFIT	3	0
Other Income		<u>0</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		0
Taxation	4	<u>0</u>
PROFIT FOR THE YEAR AFTER TAXATION		0
Dividends		<u>0</u>
		0
Retained Profit brought forward		<u>0</u>
RETAINED PROFIT CARRIED FORWARD		<u>0</u>


There were no recognised gains and losses for 1998 other than those included in the profit and loss account.

BALANCE SHEET AS AT 31ST OCTOBER 1998

The directors have:

- a) taken advantage of the Companies Act 1985 in not having these accounts audited under section 249A(1) [total exemption]
- b) confirmed that no notice has been deposited under section 249B(2) of the Companies Act 1985
- c) acknowledged their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985
- d) acknowledged their responsibilities for preparing accounts which give a true and fair view of the company and of its profit/loss (which ever is applicable) for the year then ended in accordance with the requirements of Section 226 of the Companies Act 1985 and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to this company.

		1998
BALANCE SHEET		
FIXED ASSETS		
Tangible Assets	5	0
CURRENT ASSETS		
Debtors	6	0
Cash at Bank and in Hand		<u>0</u>
		0
CURRENT LIABILITIES		
Creditors falling due within one year	7	<u>0</u>
		0
NET ASSETS		<u>0</u>
CAPITAL & RESERVES		
Called Up Share Capital	8	2
Profit & Loss Account		<u>0</u>
SHAREHOLDERS FUNDS		<u>£2</u>



DIRECTOR

Approved by the Board on 16th July 1999

The notes on pages 4 to 7 form part of these financial statements.

RECRUITS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST OCTOBER 1998

1. ACCOUNTING POLICIES

(a) Basis of Preparation of Accounts

The Financial Statements have been prepared under the historical cost convention and include the results of the company's operations which are described in the Profit and Loss Report and all of which are continuing.

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to provide a cash flow statement on the grounds that it is a small company.

(b) Turnover

Turnover represents fees received from services provided, excluding Value Added Tax.

(c) Depreciation

Tangible Fixed Assets are depreciated at rates designed to write off the costs over their estimated useful lives. These rates are calculated as follows:

Equipment	15% p.a. on written down value
Motor Vehicles	20% p.a. on written down value

(d) Leasing and Hire Purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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.

(e) Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

(f) Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

RECRUITS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST OCTOBER 1998 (CONTINUED)

2. TURNOVER

A geographical analysis of turnover is as follows:

	<u>1998</u>
United Kingdom	<u>0</u>

3. OPERATING PROFIT

This is stated after charging:

Depreciation	0
Auditor's Remuneration	0
Director's Remuneration	<u>0</u>
	<u>0</u>

4. TAXATION

UK Corporation Tax	<u>0</u>
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The Company is a close Company within the meaning of the Income and Corporation Taxes Act 1988.

5. TANGIBLE ASSETS

	<u>Equipment</u>	<u>Total</u>
<u>Cost:</u>		
As at 31.10.1998	<u>0</u>	<u>0</u>
<u>Depreciation:</u>		
As at 31.10.1998	<u>0</u>	<u>0</u>
Net Book Value at 31.10.1998	0	0

RECRUITS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST OCTOBER 1998 (CONTINUED)

6. DEBTORS

Amounts falling due within one year:

	<u>1998</u>
Trade Debtors	0
Other Debtors	<u>0</u>
	<u>0</u>

7. CREDITORS

Falling due within one year:

Bank Overdraft	0
Corporation Tax	0
Social Security and Other Taxes	0
Other Creditors	<u>0</u>
	<u>0</u>

8. CALLED UP SHARE CAPITAL

<u>Authorised:</u>	
1,000 Ordinary Shares of £1 each	<u>£1,000</u>
<u>Allotted, Issued and Fully Paid:</u>	
2 Ordinary Shares of £1 each	<u>£2</u>

9. MOVEMENT ON SHAREHOLDERS FUNDS

Profit for the Year	0
<u>Deduct: Dividends</u>	<u>0</u>
	0
Opening Shareholders Funds	<u>0</u>
Closing Shareholders Funds	<u>£2</u>

RECRUITS LIMITED

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST OCTOBER 1998

	<u>1998</u>	
Earnings		0
Bank Deposit Interest		<u>0</u>
		<u>0</u>
<u>Deduct: Expenditure</u>		
Subcontractors	0	
Materials and Accessories	0	
Entertainment	0	
Travelling and Accommodation	0	
Print, Post, Stationery and Advertising	0	
Telephone	0	
National Insurance	0	
Directors Remuneration	0	
Audit and Accountancy	0	
Office Expenses	0	
Sundry Expenses	0	
Depreciation: Equipment	<u>0</u>	
		<u>0</u>
<u>Net Income for the Year</u>		0
Corporation Tax		<u>0</u>
		0
<u>Dividends</u>		<u>0</u>
		0
Retained Profit brought forward		<u>0</u>
Retained Profit carried forward		<u>0</u>