

LAONA INVESTMENTS LIMITED

COMPANY REGISTRATION NUMBER 4443773

ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2003

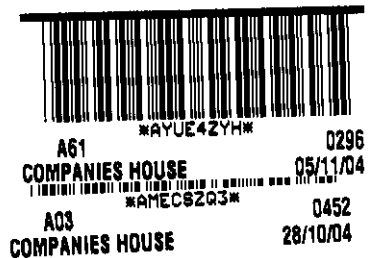
KPMG

Chartered Accountants

PO Box 21121

1502 Nicosia

Cyprus



LAONA INVESTMENTS LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2003

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LAONA INVESTMENTS LIMITED

ABBREVIATED BALANCE SHEET

31 DECEMBER 2003

	Note	2003 US\$	2002 US\$
FIXED ASSETS			
Investments	3	1,920,001	1,970,000
CURRENT ASSETS			
Debtors		586,267	100
Cash at bank and in hand		36,158	5,651
		<u>622,425</u>	<u>5,751</u>
CREDITORS: Amounts falling due within one year		<u>123,727</u>	<u>53,768</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>498,698</u>	<u>(48,017)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,418,699</u>	<u>1,921,983</u>
CAPITAL AND RESERVES			
Called-up equity share capital	4	152	139
Share premium account		2,537,884	1,937,999
Profit and loss account		(119,337)	(16,155)
SHAREHOLDERS' FUNDS		<u>2,418,699</u>	<u>1,921,983</u>

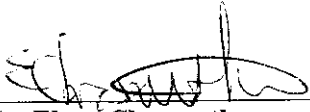
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2)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

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on 21 October 2004 and are signed on their behalf by:


Mrs Elena Chrysanthou
Director

The notes on pages 2 to 3 form part of these abbreviated accounts.

LAONA INVESTMENTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2003

1. INCORPORATION AND PRINCIPAL ACTIVITIES

The company was incorporated in the UK on 21 May 2002 under registration number 4443773. On 17 June 2002 a branch was incorporated in the Republic of Cyprus under registration number AE1651. Its registered address is at 22 Arch. Makarios III Avenue, 1065 Nicosia, Cyprus. The objects of the company are restricted to business carried on wholly outside Cyprus and its shares are held exclusively by non-residents.

2. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002). They are expressed in US dollars, the functional currency of the company.

Fixed assets

All fixed assets are initially recorded at cost.

Foreign currencies

Assets and liabilities in foreign currencies are translated into US dollars at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to US dollars at the foreign exchange rate ruling at the date. Non-monetary assets and liabilities denominated in foreign currencies are stated at fair value and are translated to US dollars at the exchange rates ruling at the dates the values were determined.

3. INVESTMENTS

	Investments US\$
COST	
At 1 January 2003	1,970,000
Additions	1
Disposals	(50,000)
At 31 December 2003	<u>1,920,001</u>
NET BOOK VALUE	
At 31 December 2003	<u>1,920,001</u>
At 31 December 2002	<u>1,970,000</u>

LAONA INVESTMENTS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 DECEMBER 2003

4. SHARE CAPITAL

Authorised share capital:

	2003	2002
	US\$	US\$
1,000,000 Ordinary shares of US\$0.015915 each	<u>15,915</u>	<u>15,915</u>

The amounts of paid-up share capital for the following categories of shares differed from the called-up share capital stated above due to unpaid calls and were as follows:

Allotted and called up:

	2003		2002	
	No	US\$	No	US\$
Ordinary shares fully paid	2,534	39	2,534	39
Ordinary shares issued during the year and fully paid	734	13	-	-
Ordinary shares issued during the year and unpaid	<u>6,200</u>	<u>100</u>	<u>6,200</u>	<u>100</u>
	<u>9,468</u>	<u>152</u>	<u>8,734</u>	<u>139</u>

(Converted at STG£1 = US\$1.5915)