

Company Registration No 4665114 (England and Wales)

AFFLICK LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007



130560-A-2007

Registered Office
5 Bourlet Close
London
W1W 7BL

AFFLICK LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2007

The director presents his report and financial statements for the year ended 31 December 2007

Principal activities and review of the business

The principal activity of the company is that of an investment company

The directors consider that the results of the company are satisfactory and that the company is expected to continue at its present levels in the future

Results and dividends

The results for the year are set out on page 3

No dividends have been paid during this or the comparative period

Director

The following director has held office since 1 January 2007

Bluewall Limited

Director's responsibilities

The director is responsible for preparing the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss 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 that disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies 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.

On behalf of the board

Bluewall Limited (Director)

Date 24.10.08

ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE ACCOUNTS OF AFFLICK LIMITED

We report on the accounts for the year ended 31 December 2007

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 December 2007, set out on pages 3 to 9 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.

Our procedures consisted of comparing the accounts with the accounting records kept by the company and making such enquiries of the officers and other officials of the company as we considered necessary for the purposes of this report.

In our opinion the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985.

SMP Partners Limited
SMP Partners Limited

24.10.08

SMP Partners Limited

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SMP Partners Limited, Registered in England and Wales Company Registration 6220395

Directors P. Hakim-Rad

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AFFLICK LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2007

		Year ended 31 December 2007 €	Year ended 31 December 2006 €
	Notes		
Administrative expenses		(11,273)	(9,087)
Operating loss	2	(11,273)	(9,087)
Other interest receivable and similar income	3	1,808	1,272
Interest payable and similar charges	4	(26,574)	(19,943)
Loss on ordinary activities before taxation		(36,039)	(27,758)
Tax on loss on ordinary activities	5	183	-
Loss for the year	9	(35,856)	(27,758)

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

There are no recognised gains and losses other than those passing through the profit and loss account

AFFLICK LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2007

	Notes	2007 €	2006 €
Fixed assets			
Investments	6	1,200,000	1,200,000
Current assets			
Cash at bank and in hand		4,079	4,079
		<u>4,079</u>	<u>4,079</u>
Creditors amounts falling due within one year	7	<u>(1,323,432)</u>	<u>(1,287,576)</u>
Net current liabilities		<u>(1,319,353)</u>	<u>(1,283,497)</u>
Total assets less current liabilities		<u>(119,353)</u>	<u>(83,497)</u>
Capital and reserves			
Called up share capital	8	3	3
Profit and loss account	9	(119,356)	(83,500)
Shareholders' funds	10	<u>(119,353)</u>	<u>(83,497)</u>

In preparing these financial statements

- (a) The director is of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985,
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The director acknowledges his responsibilities for
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) 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

Approved by the Board and authorised for issue on 24.10.08

Bluewall Limited
Director

AFFLICK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The financial statements have been prepared on the going concern basis. This is considered appropriate as the ultimate beneficial shareholders will continue to provide financial support to the company for the foreseeable future.

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

1.2 Investments

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

1.3 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.4 Foreign currency translation

The company's accounting records are maintained in Euros.

Transactions in other currencies are converted at the rate ruling at the date of the transaction. Current assets and liabilities are converted at the rate of exchange ruling at the balance sheet date. Any material gains or losses resulting from the conversion are taken to the profit and loss account.

1.5 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.

2 Operating loss	2007	2006
	€	€
Operating loss is stated after charging		
Accountants' remuneration	1,751	2,268
	<u>1,751</u>	<u>2,268</u>
3 Investment and similar income	2007	2006
	€	€
Profit on foreign exchange	1,808	1,272
	<u>1,808</u>	<u>1,272</u>

AFFLICK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

4	Interest payable and similar expenditure	2007	2006
		€	€
	On other loans wholly repayable within five years	26,574	19,943
		<u>26,574</u>	<u>19,943</u>
		<u><u>26,574</u></u>	<u><u>19,943</u></u>
5	Taxation	2007	2006
		€	€
	Domestic current year tax		
	Corporation tax at 30.00% (2006 - 30.00%)	-	-
	Adjustment for prior years	(183)	-
		<u>(183)</u>	<u>-</u>
	Current tax charge	<u><u>(183)</u></u>	<u><u>-</u></u>
	Factors affecting the tax charge for the year		
	Loss on ordinary activities before taxation	(36,039)	(27,758)
		<u>(36,039)</u>	<u>(27,758)</u>
	Loss on ordinary activities before taxation multiplied by the standard rate of corporation tax of 30.00% (2006 - 30.00%)	(10,812)	(8,327)
		<u>(10,812)</u>	<u>(8,327)</u>
	Effects of		
	Losses not recognised for accounting purposes	10,812	8,327
	Adjustments to previous periods	(183)	-
		<u>10,629</u>	<u>8,327</u>
	Current tax charge	<u><u>(183)</u></u>	<u><u>-</u></u>

On the basis of these financial statements no provision has been made for corporation tax

AFFLICK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

6 Fixed asset investments

	Shares in subsidiary undertakings €
Cost	
At 1 January 2007 & at 31 December 2007	1,200,000
Net book value	
At 31 December 2007	1,200,000
At 31 December 2006	1,200,000

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	Class	Shares held %
Subsidiary undertakings			
Afflick Bulgaria EAD	Bulgaria	Ordinary	100 00
Fh Fina-S Financial House AD	Bulgaria	Ordinary	100 00

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	Profit/(loss) for the year
	Principal activity	€	€
Afflick Bulgaria EAD	Investment intermediary	1,193,650	667,040
Fh Fina-S Financial House AD	investment intermediary	279,841	155,693

The investment represents a 100% investment in Afflick Bulgaria EAD

Afflick Bulgaria EAD holds 100% of Fina-S AD

The above figures for Fina-S AD have been taken from the 2003 financial statements

7 Creditors amounts falling due within one year	2007	2006
	€	€
Other creditors	1,312,113	1,281,512
Accruals and deferred income	11,319	6,064
	<u>1,323,432</u>	<u>1,287,576</u>

AFFLICK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

8 Share capital	2007	2006
	No	No
Authorised		
10,000 Ordinary shares of £1 each	10,000	10,000
1,000,000 Ordinary A shares of €1 each	1,000,000	1,000,000
	<u>1,010,000</u>	<u>1,010,000</u>
Allotted, called up and fully paid	€	€
1 Ordinary shares of £1 each	2	2
1 Ordinary A shares of €1 each	1	1
	<u>3</u>	<u>3</u>

All shares rank Pari Passu in all respects

9 Statement of movements on profit and loss account	Profit and loss account
	€
Balance at 1 January 2007	(83,500)
Loss for the period	(35,856)
	<u>(119,356)</u>
Balance at 31 December 2007	<u>(119,356)</u>

10 Reconciliation of movements in shareholders' funds	2007	2006
	€	€
Loss for the financial year	(35,856)	(27,758)
Opening shareholders' funds	(83,497)	(55,739)
	<u>(119,353)</u>	<u>(83,497)</u>
Closing shareholders' funds	<u>(119,353)</u>	<u>(83,497)</u>

11 Contingent liabilities

There were no known contingent liabilities as at the current and previous balance sheet dates

12 Capital commitments

There were no major capital commitments as at the current and previous balance sheet dates

AFFLICK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

13 Employees

There were no employees during the current year and the previous period apart from the director who received no remuneration

14 Related party transactions

The directors are aware of the identity of the ultimate controlling party. However, they are under a duty of confidentiality that prevents them disclosing certain information otherwise required by Financial Reporting Standard 8. Therefore they have taken the exemption offered by the standard in respect of confidentiality.