

DEMAREX (II) LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31ST MAY 2006

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DEMAREX (II) LIMITED

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ABBREVIATED BALANCE SHEET AS AT 31ST MAY 2006

	Notes	
FIXED ASSETS		
Intangible assets	2	4000
CURRENT ASSETS		
Stock		9200
Debtors	3	57497
Cash at bank and in hand		<u>14703</u>
		81400
CREDITORS: Amounts falling due within one year		<u>83400</u>
NET CURRENT (LIABILITIES)		<u>(2000)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2000
CREDITORS: Amounts falling due after more than one year		-
PROVISIONS FOR LIABILITIES AND CHARGES		<u>-</u>
		<u>2000</u>
CAPITAL AND RESERVES		
Called up share capital	4	500
Profit and loss account		<u>1500</u>
SHAREHOLDERS' FUNDS		<u>2000</u>

continued

(The notes on pages 2 to 4 form part of these financial statements)

ABBREVIATED BALANCE SHEET AS AT 31ST MAY 2006 (CONTINUED)

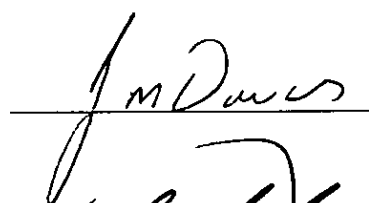
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the period by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2)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


The directors acknowledge their responsibility 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 statement of affairs of the company as at the end of the financial period and of its profit or loss for the financial period 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 financial statements are prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

The abbreviated financial statements on pages 1 to 4 were approved by the Board of Directors on 5 April 2007 and signed on its behalf by -

 Director

 Director

NOTES ON THE ABBREVIATED FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention

Changes in accounting policies

In preparing the financial statements for the current period, the company has adopted the following Financial Reporting Standards -

- FRS 21 'Events after the Balance Sheet date (IAS 10)' and
- the presentation requirements of 'FRS 25 "Financial Instruments Disclosure and Presentation (IAS 32)"

FRS 21 'Events after the Balance Sheet date (IAS 10)'

The adoption of FRS 21 has resulted in a change in accounting policy in respect of proposed equity dividends. If the company declares dividends to the holders of equity instruments after the balance sheet date, the company does not recognise those dividends as a liability at the balance sheet date. The aggregate amount of equity dividends proposed before approval of the financial statements, which have not been shown as liabilities at the balance sheet date, are disclosed in the notes to the financial statements. Previously, proposed equity dividends were recorded as liabilities at the balance sheet date.

FRS 25 'Financial Instruments Disclosure and Presentation (IAS 32)'

The company has considered the classification of financial instruments and related interest, dividends, losses and gains. It has not been necessary to reclassify any financial instruments in accordance with the presentation requirements of FRS 25.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No. 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

NOTES ON THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)

1 ACCOUNTING POLICIES (CONTINUED)

Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

Stock

Stock is valued at the lower of cost and net realisable value after making due allowance for slow moving stock.

Goodwill

Amortisation is provided on goodwill at a rate calculated to write the goodwill off over a period of 5 years.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

NOTES ON THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)

2 FIXED ASSETS

Intangible	Goodwill
Cost:	
At 6 05 05	-
Additions	<u>5000</u>
At 31 05 06	<u>5000</u>
Amortisation	
At 6 05 05	-
Charge for the period	<u>1000</u>
At 31 05 06	<u>1000</u>
Net Book Value	
At 31 05 06	<u>4000</u>

3 DEBTORS

There are no amounts included in debtors relating to -

- a Debtors falling due after more than one year
- b Loans to directors and other company officers

4 CALLED UP SHARE CAPITAL

Authorised:	
Ordinary shares of £1 each	<u>1000</u>
Issued and Fully Paid:	
Ordinary shares of £1 each	<u>500</u>