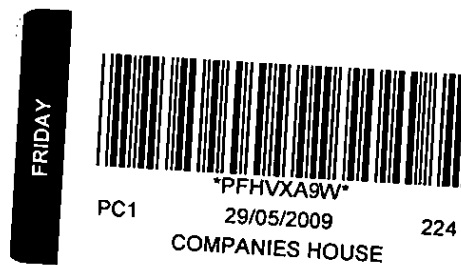


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REGISTERED NUMBER: FC028914 (England and Wales)

Report of the Directors and
Financial Statements for the Year Ended 30 June 2008
for
Greyfriars Bulgaria Limited



Greyfriars Bulgaria Limited

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for the Year Ended 30 June 2008

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Greyfriars Bulgaria Limited

Company Information
for the Year Ended 30 June 2008

DIRECTORS:

C Merson
C J Smith
A Harutuynyan

REGISTERED OFFICE:

Tanfield Lane
Wath
Ripon
North Yorkshire
HG4 5JE

ACCOUNTANTS:

Eura Audit UK
P O Box 55
Eva Lett House
1 South Crescent
Ripon
North Yorkshire
HG4 1XW

Greyfriars Bulgaria Limited**Profit and Loss Account
for the Year Ended 30 June 2008**

		<u>2008</u>	<u>2007</u>
	Notes	£	£
TURNOVER		166,612	-
Cost of sales		<u>84,729</u>	<u>734</u>
GROSS PROFIT/(LOSS)		81,883	(734)
Administrative expenses		<u>64,960</u>	<u>78,850</u>
OPERATING PROFIT/(LOSS)			
ON ORDINARY ACTIVITIES			
BEFORE TAXATION	2	16,923	(79,584)
Tax on profit/(loss) on ordinary activities	3	<u>-</u>	<u>-</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR			
AFTER TAXATION		16,923	(79,584)
Deficit brought forward		<u>(79,584)</u>	<u>-</u>
DEFICIT CARRIED FORWARD		<u>£(62,661)</u>	<u>£(79,584)</u>

The notes form part of these financial statements

Greyfriars Bulgaria Limited

Balance Sheet
30 June 2008

		<u>2008</u>		<u>2007</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Intangible assets	4		79,396		-
Tangible assets	5		<u>113,038</u>		<u>37,211</u>
			192,434		37,211
CURRENT ASSETS:					
Stocks		32,556		13,219	
Debtors	6	64,220		2,460	
Cash at bank and in hand		<u>3,909</u>		<u>17,178</u>	
		100,685		32,857	
CREDITORS: Amounts falling due within one year	7	<u>58,670</u>		<u>62,893</u>	
NET CURRENT ASSETS/(LIABILITIES):			<u>42,015</u>		<u>(30,036)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			234,449		7,175
CREDITORS: Amounts falling due after more than one year	8		<u>297,010</u>		<u>86,659</u>
			<u>£(62,561)</u>		<u>£(79,484)</u>
CAPITAL AND RESERVES:					
Called up share capital	9		100		100
Profit and loss account			<u>(62,661)</u>		<u>(79,584)</u>
SHAREHOLDERS' FUNDS:			<u>£(62,561)</u>		<u>£(79,484)</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 30 June 2008.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2008 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

Greyfriars Bulgaria Limited

Balance Sheet
30 June 2008

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The financial statements were approved by the Board of Directors on 21/05/09 and were signed on its behalf by:

.....
- Director

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 30 June 2008

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Plant and machinery	- 10% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 15% on reducing balance

Stocks

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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Research and development

Greyfriars Bulgaria is undertaking new projects in Bulgaria and developing processes to enhance its product range. Substantial expenditure has been incurred in this year and will be written off over the life the project which is expected to be 3 years.

Going Concern

At the balance sheet date the company's assets were exceeded by its liabilities. The company's parent has agreed to continue funding to ensure trading can be continued for the foreseeable future.

2. OPERATING PROFIT/(LOSS)

The operating profit (2007 - operating loss) is stated after charging:

	2008	2007
	£	£
Depreciation - owned assets	<u>9,420</u>	<u>1,327</u>
Directors' emoluments and other benefits etc	<u>-</u>	<u>-</u>

3. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 30 June 2008 nor for the year ended 30 June 2007.

Grevfriars Bulgaria Limited

Notes to the Financial Statements
for the Year Ended 30 June 2008

4. INTANGIBLE FIXED ASSETS

	Other intangible assets
	£
COST:	
Additions	<u>79,396</u>
At 30 June 2008	<u>79,396</u>
NET BOOK VALUE:	
At 30 June 2008	<u>79,396</u>

5. TANGIBLE FIXED ASSETS

	Freehold property	Plant and machinery	Fixtures and fittings	Motor vehicles	Totals
	£	£	£	£	£
COST:					
At 1 July 2007	34,805	-	3,024	709	38,538
Additions	<u>21,081</u>	<u>36,262</u>	<u>4,530</u>	<u>23,374</u>	<u>85,247</u>
At 30 June 2008	<u>55,886</u>	<u>36,262</u>	<u>7,554</u>	<u>24,083</u>	<u>123,785</u>
DEPRECIATION:					
At 1 July 2007	696	-	454	177	1,327
Charge for year	<u>1,117</u>	<u>3,626</u>	<u>1,065</u>	<u>3,612</u>	<u>9,420</u>
At 30 June 2008	<u>1,813</u>	<u>3,626</u>	<u>1,519</u>	<u>3,789</u>	<u>10,747</u>
NET BOOK VALUE:					
At 30 June 2008	<u>54,073</u>	<u>32,636</u>	<u>6,035</u>	<u>20,294</u>	<u>113,038</u>
At 30 June 2007	<u>34,109</u>	<u>-</u>	<u>2,570</u>	<u>532</u>	<u>37,211</u>

**6. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2008 £	2007 £
Other Debtors	17,137	2,460
Prepayments & Accrued Income	<u>47,083</u>	<u>-</u>
	<u>64,220</u>	<u>2,460</u>

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

	2008	2007
	£	£
Trade Creditors	56,907	61,130
Accruals & Deferred Income	<u>1,763</u>	<u>1,763</u>
	<u>58,670</u>	<u>62,893</u>

8. **CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	2008	2007
	£	£
Amounts due to Parent Company	<u>297,010</u>	<u>86,659</u>

9. **CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2008	2007
			£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

Greyfriars Bulgaria Limited

Trading Summary
for the Year Ended 30 June 2008

<u>NOTES</u>	<u>2008</u> £	<u>2007</u> £
1 SALES	166,612	-
2 LESS: COST OF SALES	<u>84,729</u>	<u>734</u>
GROSS PROFIT	<u>81,883</u>	<u>(734)</u>
%	49.15	-
LESS: OVERHEAD EXPENSES		
Wages	358	5,677
3 Trade	22,111	1,078
4 Establishment	16,681	4,403
5 Office	4,806	3,722
6 Motor	17,752	17,305
7 Sundry	<u>3,252</u>	<u>46,665</u>
	<u>64,960</u>	<u>78,850</u>
NET PROFIT/(LOSS)	<u>16,923</u>	<u>(79,584)</u>
	<u>£16,923</u>	<u>£(79,584)</u>

This page does not form part of the statutory financial statements

Notes on Trading Summary
for the Year Ended 30 June 2008

<u>NOTES</u>		<u>2008</u> £	<u>2007</u> £
1	SALES		
	Sales	166,612	-
		<u>£166,612</u>	<u>-</u>
2	COST OF SALES		
	Purchases	74,929	141
	Fertiliser & Chemicals	9,800	593
		<u>£84,729</u>	<u>£734</u>
		<u>£84,729</u>	<u>£734</u>
3	TRADE EXPENSES		
	Transport & Freight charges	18,485	1,078
	Depreciation:		
	Plant & Machinery	3,626	-
		<u>£22,111</u>	<u>£1,078</u>
4	ESTABLISHMENT EXPENSES		
	Rent	15,108	3,636
	Light & Heat	456	16
	Repairs to Property	-	55
	Depreciation:		
	Freehold Property	1,117	696
		<u>£16,681</u>	<u>£4,403</u>
5	OFFICE EXPENSES		
	Telephone	2,521	1,079
	Postage & Stationery	1,216	442
	Advertising	4	1,632
	Equipment Repairs	-	115
	Depreciation:		
	Fixtures & Fittings	1,065	454
		<u>£4,806</u>	<u>£3,722</u>
6	MOTOR EXPENSES		
	Running Costs	14,140	2,838
	Travel & Subsistence	-	14,290
	Depreciation:		
	Motor Vehicles	3,612	177
		<u>£17,752</u>	<u>£17,305</u>

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Notes on Trading Summary
for the Year Ended 30 June 2008

NOTES

	<u>2008</u>	<u>2007</u>
	<u>£</u>	<u>£</u>
7 SUNDRY EXPENSES		
Recruitment Expenses	-	1,104
Accountancy	1,303	1,764
Insurances	19	119
Business Development	-	1,119
Miscellaneous	476	1,127
Bank Charges	1,454	649
Legal & Professional Fees	-	40,783
	<u>£3,252</u>	<u>£46,665</u>