

SUN OIL LIMITED
FINANCIAL STATEMENTS
31ST AUGUST 1997

Company Registration Number 3010238

BHAGANI & CO
Chartered Accountants & Registered Auditors
Station House
11 Masons Avenue
Harrow
Middlesex HA3 5AH



SUN OIL LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 1997

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SUN OIL LIMITED

THE DIRECTOR'S REPORT

YEAR ENDED 31ST AUGUST 1997

The director presents his report and the financial statements of the company for the year ended 31st August 1997.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was general trading.

RESULTS AND DIVIDENDS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The director has not recommended a dividend.

THE DIRECTOR AND HIS INTERESTS IN SHARES OF THE COMPANY

The director who served the company during the period was as follows:

Mr. Raminder Ranger

The company is a wholly owned subsidiary and the interests of group directors are disclosed in the accounts of the parent company.

DIRECTOR'S 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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the director is required to select suitable accounting policies, as described on page 6, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The director must also 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 him to ensure that the financial statements comply with the Companies Act 1985. The director 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.

AUDITORS

A resolution to re-appoint Bhagani & Co as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985

Registered office:
UNIT B3
ST LEONARDS ROAD
LONDON NW10 6ST

Signed on behalf of the director

D. R. Shah
Mr Divyansu Shah
Company secretary

SUN OIL LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 31ST AUGUST 1997

We have audited the financial statements on pages 4 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTOR AND THE AUDITORS

As described on page 1, the company's director is responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the company's state of affairs as at 31st August 1997 and of its loss for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Station House
11 Masons Avenue
Harrow
Middlesex HA3 5AH

20.1.1998


BHAGANI & CO
Chartered Accountants
& Registered Auditors

SUN OIL LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST AUGUST 1997

	Note	£
TURNOVER:		150,557
Cost of sales		<u>(141,430)</u>
GROSS PROFIT		9,127
Distribution costs		(25,274)
Administrative expenses		<u>(2,356)</u>
OPERATING LOSS	2	(18,503)
Tax on loss on ordinary activities	3	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		<u>(18,503)</u>
DEFICIENCY FOR THE FINANCIAL YEAR		<u><u>(18,503)</u></u>

The company has no recognised gains or losses other than the results for the year as set out above.

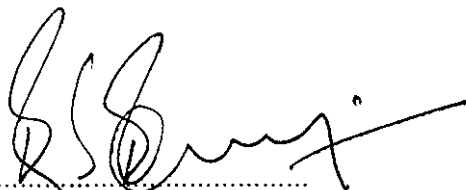
All of the activities of the company are classed as continuing.

SUN OIL LIMITED**BALANCE SHEET****31ST AUGUST 1997**

	Note	£	£
CURRENT ASSETS			
Stocks		20,155	
Debtors	4	23,896	
Cash at bank and in hand		<u>17,989</u>	
		62,040	
CREDITORS: Amounts falling due within one year	5	<u>(70,543)</u>	
NET CURRENT LIABILITIES			(8,503)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(8,503)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	6		10,000
Profit and loss account			<u>(18,503)</u>
(DEFICIENCY)	7		<u>(8,503)</u>

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

These financial statements were approved and signed by the director on19.1.1998



.....
MR. RAMINDER RANGER
Director

SUN OIL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST AUGUST 1997****1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements have been prepared under the historical cost convention.

Cash flow statement

The director has taken advantage of the exemption in Financial Reporting Standard No 1 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, exclusive of Value Added Tax.

Stocks

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

2. OPERATING LOSS

Operating loss is stated after charging:

	£
Director's emoluments	-
Auditors' fees	<u>1,500</u>

3. TAXATION ON LOSS ON ORDINARY ACTIVITIES

	£
Corporation tax	<u>-</u>

4. DEBTORS

	£
Trade debtors	23,706
Prepayments and accrued income	<u>190</u>
	<u>23,896</u>

SUN OIL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31ST AUGUST 1997****5. CREDITORS: Amounts falling due within one year**

	£	£
Trade creditors		23,522
VAT	1,091	
SAL Forwarding Loan	<u>44,430</u>	
Accruals and deferred income		45,521
		<u>1,500</u>
		<u>70,543</u>

6. SHARE CAPITAL**Authorised share capital:**

	£
10,000 Ordinary shares of £1 each	<u>10,000</u>

Allotted, called up and fully paid:

	£
Ordinary share capital	<u>10,000</u>

7. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	£
Loss for the financial year	(18,503)
Opening shareholders' equity funds	<u>10,000</u>
Closing shareholders' equity funds	<u>(8,503)</u>

8. ULTIMATE PARENT COMPANY

The ultimate parent company is Sea Air & Land Forwarding Limited, a company registered in UK.