

**THE ROYAL YUGOSLAV ARMY EX-COMBATANTS
ASSOCIATION LIMITED**

A COMPANY LIMITED BY GUARANTEE

**FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 15 MAY 2000**

SIMON N COWMAN
CHARTERED ACCOUNTANT
AND REGISTERED AUDITOR
MAYFIELD
8 BROOKSBY ROAD
HOBY
MELTON MOWBRAY
LEICESTERSHIRE
LE14 3EA



Registered Number 722421 (England and Wales)

**THE ROYAL YUGOSLAV ARMY EX-COMPATANTS
ASSOCIATION LIMITED**

DIRECTORS:

M Panich
V Glisovic
M Gledic
M Radovanovic
M Illic died 14.2.2000
S.Stomic appointed 14.5.2000

SECRETARY:

Mrs N Mrdalj

REGISTERED OFFICE:

3 Ladbroke Gardens
London
W11 2NP

REGISTERED NUMBER:

722421 (England and Wales)

AUDITOR:

SIMON N COWMAN
CHARTERED ACCOUNTANT
MAYFIELD
8 BROOKSBY ROAD
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MELTON MOWBRAY
LEICESTERSHIRE
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ASSOCIATION LIMITED**

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THE ROYAL YUGOSLAV ARMY EX-COMBATANTS ASSOCIATION LIMITED
A COMPANY LIMITED BY GUARANTEE

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 15TH MAY 2000

The Directors' present their annual report with the accounts of the company for the year ended 15th May 2000

Principal Activity

The principal activity of the company in the year ended review was the provision of Social Club facilities to it's members and property letting.

Statement of directors responsibilities

Company law requires the directors to prepare financial statements for each financial year which 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 directors are required to:

- select suitable accounting policies and then apply consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business;

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements company with the Companies Act of 1985. They are 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.

Directors

The directors in office during the year were as follows:

M Panich
V Glisovic
M Gledic
M Illic died 14.2.2000
M Radovanovic
S.Stomic appointed 14.5.2000

Auditor

The auditor, Simon N Cowman will be proposed for appointment in accordance with section 385 of the Companies Act 1985.

This report, which has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, was approved by the Board on 12 November 2000 and signed on its behalf.

-----*M. Panich*-----

M Panich
Director

THE ROYAL YUGOSLAV ARMY EX-COMBATANTS ASSOCIATION LIMITED
A COMPANY LIMITED BY GUARANTEE
Auditor's Report to the Members of
The Royal Yugoslav Army Ex-Combatants Association Limited

I have audited the financial statements on pages 3 to 7 which have been prepared under the historical cost convention and the accountancy policies set out on page 6.

Respective responsibilities of directors and auditors

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

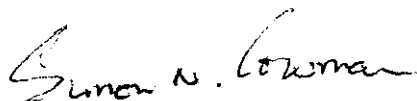
Basis of opinion

I conducted the 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 directors in the preparation of the financial statements, and whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

I planned and performed the audit so as to obtain all the information and explanations which I considered necessary in order to provide me 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 my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion, the financial statements give a true and fair view of the state of the company's affairs at 15 May 1999 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



SIMON N COWMAN
CHARTERED ACCOUNTANT
AND REGISTERED AUDITOR
MAYFIELD
8 BROOKSBY ROAD
HOBY
MELTON MOWBRAY
LEICESTERSHIRE LE14 3EA

15th November 1999

THE ROYAL YUGOSLAV ARMY EX-COMBATANTS ASSOCIATION LIMITED
A COMPANY LIMITED BY GUARANTEE

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 15TH MAY 2000

	Notes	£	1999 £
Turnover		25,756	33,981
Administration Expenses		39,022	22,630
Operating loss/profit	2	<u>(13,266)</u>	<u>11,351</u>
Profit on disposal of tangible fixed assets	3	-	-
Loss/Profit On Ordinary Activities before interest		<u>(13,266)</u>	<u>11,351</u>
Interest receivable		6,097	7,310
Loss/Profit on ordinary activities before taxation		<u>(7,169)</u>	<u>18,661</u>
Taxation	4	1,366	4,145
Loss/Profit on Ordinary Activities after taxation and retained profit for the year		<u>(5,803)</u>	<u>14,516</u>
Loss/Retained profit brought forward		<u>150,749</u>	<u>136,233</u>
Retained profit carried forward		<u>£144,946</u>	<u>£150,749</u>

The notes on pages 5, 6 and 7 form part of these accounts.

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THE ROYAL YUGOSLAV ARMY EX-COMBATANTS ASSOCIATION LIMITED
A COMPANY LIMITED BY GUARANTEE

BALANCE SHEET
AS AT 15 MAY 2000

	Notes	2000	1999
Fixed Assets			
Tangible Assets	5	12,042	12,451
Current Assets			
Debtors	6	3,848	381
Cash at Bank and in Hand		143,739	156,270
		147,587	156,651
Creditors: amounts falling due within one year	7	1,632	5,302
Net Current Assets		145,955	151,349
Total Assets Less Current Liabilities		£157,997	£163,800
Capital And Reserves			
Capital reserve		13,051	13,051
Profit and Loss Account		144,946	150,749
		£157,997	£163,800

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the board on 12th November 2000 and signed on its behalf.

M. Panich

M. Panich

Director

The notes of pages 5, 6 and 7 form part of these accounts.

THE ROYAL YUGOSLAV ARMY EX-COMBATANTS ASSOCIATION LIMITED

NOTES TO ACCOUNTS

1. Accounting Policies

1.1 Basis of Accounting

The financial statements are prepared under the historical cost convention and include the results of the company's operations which are described in the Directors' Report and which continuing.

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

1.2 Turnover

Turnover represents the net invoiced sales of goods, excluding VAT.

1.3 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and Fittings 15% on written down value

No depreciation is provided on freehold land properties as the market value substantially exceeds the book value. It would also be difficult to split the original cost between land and buildings, the eventual calculation would be immaterial.

1.4 Deferred Taxation

No provision has been made for deferred taxation as the directors are of the opinion that no liability will arise in the foreseeable future.

2. Operating Profit

**The Operating Profit is stated
after charging:**

	£	1999 £
Depreciation of Fixtures and Fittings	409	481
Auditors Remuneration	250	400
	—	—

THE ROYAL YUGOSLAV ARMY EX-COMBATANTS ASSOCIATION LIMITED

NOTES TO ACCOUNTS

3. Profit on disposal of tangible fixed assets

Provision has not been made for capital gains tax on the sale of the Bedford property as it is anticipated that all of the proceeds will be used to purchase a new property. The completion date of the sale was 27th March 1998. Capital Gains Tax will not be due if a new property is purchased by 27th March 2001. The gain was £106,544, which would mean tax of £22,374.

4. Taxation

UK current year

	2000	1999
UK Corporation Tax recoverable at 20%	£	£
£ on the loss (1999 profit at 20% & 21%)	1,412	3,869
U.K. prior year		
U.K. Corporation Tax underprovided	(46)	276
	£1,366	£4,145

5. Tangible Fixed Assets

	Fixtures & Fittings £	Freehold Property £	Total £
Cost Or Valuation			
At 16 May 1999	14,601	9,724	24,325
Disposals	-	-	-
At 15 May 2000	14,601	9,724	24,325
Depreciation			
At 16 May 1999	11,874	-	11,874
Charge for year	409	-	409
At 15 May 2000	12,283	-	12,283
Net Book Value			
At 15 May 2000	£2,318	£9,724	£12,042
At 15 May 1999	£2,727	£9,724	£12,457

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NOTES TO THE ACCOUNTS

6.	DEBTORS	2000	1999
		£	£

Amounts due within one year:

Prepayments	743	381
Bank interest	1,486	-
Corporation tax repayment	1,692	-
	£3,921	£381

7.	CREDITORS	2000	1999
		£	£

Amounts falling due within one year:

Taxation	-	3,869
Accruals	1,632	1,433
	£1,632	£5,302

7. Financial Commitments

The company's bank overdraft facility is secured by a legal charge over it's freehold property at 3 Ladbroke Gardens, London W11 2PT.

8. Share Capital

The company is limited by guarantee and does not have a share capital. In the event of a winding up each member will be liable for £1.