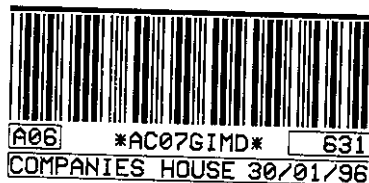


REGISTRAR

JAYSHREE INVESTMENTS LIMITED
ABBREVIATED FINANCIAL STATEMENTS
31ST MARCH 1995

Registered number: 2044708

JOHN CUMMING & PARTNERS
CERTIFIED ACCOUNTANTS
London EC1V 7EB



JAYSHREE INVESTMENTS LIMITED

REGISTRAR

ABBREVIATED FINANCIAL STATEMENTS

for the year ended 31st March 1995

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JAYSHREE INVESTMENTS LIMITED

REGISTRAR

AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS

Auditors' report to the directors' of
Jayshree Investments Limited
pursuant to paragraph 24 of Schedule 8
to the Companies Act 1985

We have examined the abbreviated financial statements on pages 3 to 6 together with the financial statements of Jayshree Investments Limited prepared under section 226 of the Companies Act 1985 for the year ended 31st March 1995.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 3 and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under sections 246, 247 and 249 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31st March 1995, and the abbreviated financial statements on pages 3 to 6 have been properly prepared in accordance with that Schedule.

Other information

On 29/1/1996 we reported, as auditors of Jayshree Investments Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31st March 1995, and our audit report was as follows:

'We have audited the financial statements on pages 6 to 12 which have been prepared under the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 3, the company's directors are responsible for the preparation of 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.

continued

JAYSHREE INVESTMENTS LIMITED
AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS
(continued)

REGISTRAR

Auditors' report to the directors' of Jayshree Investments Limited
pursuant to paragraph 24 of Schedule 8 to the Companies Act 1985

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 directors 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 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 error or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Going concern

In forming our opinion, we have considered the adequacy of the disclosures made in note 1 of the financial statements concerning the uncertainty as to the continuation of the facility from the company's creditors. In view of the significance of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

Qualified opinion arising from disagreement about accounting treatment

We have been unable to satisfy ourselves as to the recoverability of the debtors amounting to £250,934 against which no provision has been made in the financial statements.

As the financial statements of one of the company's subsidiary undertakings Supersonic International Limited are not available, we are unable to ascertain whether the company is entitled to the exemption conferred by section 248 of the Companies Act 1985, from the requirement to prepare group accounts for the financial year ended 31st March 1995.

The company does not record its share of the increase in the net assets of Supersonic International (Zambia) Limited, Buffalo Handles Manufacturers Limited and Simonga Wood Industry Limited, in accordance with Statement of Standard Accounting Practice No 1 'Accounting for associated companies'.

In the absence of the audited financial statements of Supersonic International (Zambia) Limited, Buffalo Handles Manufacturers Limited and Simonga Wood Industry Limited as at the balance sheet date being made available, it is not practical to quantify the effects of the departure.

Opinion

Except for:

- (a) the absence of the provision against debtors mentioned above, and
- (b) any requirement that might have been necessary to prepare the group accounts had we been able to obtain sufficient evidence concerning the accounts of the subsidiary undertaking, and
- (c) the failure to account for the associated companies in the manner described above.

in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st March 1995 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.


John Cumming & Partners
Certified Accountants &
Registered Auditors
Pumabrook House
252 Goswell Road
London EC1V 7EB
29/1/1996

JAYSHREE INVESTMENTS LIMITED

ABBREVIATED BALANCE SHEET

at 31st March 1995

	Note	£	1995 £	1994 £
Fixed assets				
Tangible assets	2		-	1,799
Investments	2		86,161	86,161
			<u>86,161</u>	<u>87,960</u>
Current assets				
Debtors	3	433,562		824,574
Cash at bank and in hand		35		61
		<u>433,597</u>		<u>824,635</u>
Creditors: amounts falling due within one year		(925,346)		(854,593)
Net current liabilities			<u>(491,749)</u>	<u>(29,958)</u>
Total assets less current liabilities			<u>(405,588)</u>	<u>58,002</u>
Creditors: amounts falling due after more than one year			-	(251,006)
			<u>(405,588)</u>	<u>(193,004)</u>
Capital and reserves				
Called up share capital	4		50,002	50,002
Profit and loss account			(455,590)	(243,006)
Total shareholders' funds			<u>(405,588)</u>	<u>(193,004)</u>

The directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

In the preparation of the company's annual financial statements, the directors have taken advantage of special exemptions applicable to small companies under Part I of Schedule 8 to the Companies Act 1985 on the grounds that, in their opinion, the company is entitled to those exemptions.

The abbreviated financial statements on pages 3 to 6 were approved by the board of directors on 26/1/1996.

Mr D P B Ayres
Director

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st March 1995

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost accounting rules.

Cash flow statement

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Section 246, 247 and 249 of the Companies Act 1985 for small companies.

Going concern

The company meets its day to day working capital requirements through financing by its creditors. On the basis of this support and the bank loan can be repaid in instalments, the directors consider that the company will continue in operational existence for the foreseeable future. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of the facility by the company's creditors.

Foreign currencies

Transactions expressed in foreign currencies are translated into sterling and recorded at average exchange rate during the year. Assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All exchange differences are dealt with through the profit and loss account.

JAYSHREE INVESTMENTS LIMITED

REGISTRAR

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st March 1995

2 Fixed assets

Cost or valuation	Tangible fixed assets £	Fixed asset investments £	Total £
31st March 1994 and 31st March 1995	<u>1,799</u>	<u>86,161</u>	<u>87,960</u>
Depreciation			
Disposals	<u>(1,799)</u>	<u>-</u>	<u>(1,799)</u>
31st March 1995	<u>1,799</u>	<u>-</u>	<u>1,799</u>
Net book amount			
31st March 1995	<u>-</u>	<u>86,161</u>	<u>86,161</u>
31st March 1994	<u>1,799</u>	<u>86,161</u>	<u>87,960</u>

Details of the investment in which the company holds more than 10% of the nominal value of any class of share capital are as follows:

Name of company	Country of incorporation	Holding	Proportion held	Nature of Business
Electronic Systems & Chips Limited	England	Ordinary shares	85%	Import & export of electrical equipment
Supersonic International Limited	Guernsey C.I.	Ordinary shares	85%	Investment company
Supersonic International (Zambia) Limited	Zambia	Ordinary shares (held by Associated undertaking)	27%	Trading company
Buffalo Handles Manufacturers Limited	Zambia	Ordinary shares (held by Associated undertaking)	27%	Dormant
Simonga Wood Industry Limited	Zambia	Ordinary shares (held by Associated undertaking)	27%	Dormant

Continued...