Company Reg. No. 03287421

SHONTAINE LIMITED

Minutes of the Meeting of Directors held at

140 Burton Road
West Didsbury
Manchester
M20 1JQ

On 29 March 2004

Present: Mrs Jhunu Dangol

Mr C Kumar

The Directors present their Annual Report together with the Accounts and Financial Statements for the year ended 31 December 2003.

Dividend is proposed and paid during the year. (None)

The Directors report that no notice has been deposited under Section 249B(2) of the Companies Act 1985 and have decided to take advantage of the exemptions conferred by Section 249A(1) not to have the Accounts audited.

IT WAS RESOLVED that Auditors will not be appointed.

IT WAS RESOLVED that these Accounts and Financial Statements be hereby approved.

Signed.....Director

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SHONTAINE LIMITED

COMPANY INFORMATION

Company Number:	03287421
Directors:	Chandra Kumar Jhunu Dangol
Secretary:	Chandra Kumar
Registered Office:	140 Burton Road Manchester M20 1JQ
Bankers:	The Royal Bank of Scotland Plc St Ann Street Manchester M60 2SS
Accountants:	Withington & Co 8 Lynway Drive Manchester M20 4TS

SHONTAINE LIMITED

The Directors have pleasure in presenting their Report and Financial Statements of the Company for the year ended 31 December 2003.

ACTIVITIES AND REVIEW

The principal activity of the Company during the period were those of restaurateurs and Take-Away Services provider.

RESULTS

The profit for the year before taxation was 17360 and 24260 in 2002 and the results are shown in the annexed Financial Statements. The Directors view the forthcoming year with increased turnover and profitability despite increased local competition.

FIXED ASSETS

The movement in fixed assets is provided in the notes to the Accounts.

DIRECTORS

The following were the Directors during the year and their interest in the shares of the Company were as follows:

	2003	2002
C Kumar Ordinary Shares of £1 each	166	166

Mr Buda Dangol resigned as a Director of the Company on 29 July 2003 and Mrs Jhunu Dangol became a Director on the same day.

AUDITORS

Following the adoption of the Companies Act 1985 (Audit Exemption) Regulation 1994 Auditors will not be appointed at the Annual General Meeting.

By Order of the Board

Registered Office
140 Burton Road
Manchester
M20 1JQ

.....

Secretary

SHONTAINE LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2003

		2003		2002
FIXED ASSETS				
Goodwill		5000		5000
Tangible Assets Note 3		39134		36805
TOTAL FIXED ASSETS		44134		41805
CURRENT ASSETS				
Stock	9745		10976	
Debtors and Prepayments Note 4	13959		14150	
Balance and Bank	29730		20254	
Cash in Hand	1550		1550	
	54984		46930	
CURRENT LIABILITIES				
Amounts falling due within one year Note 5	35866		40593	
NET CURRENT ASSETS		19118		6337
		63252		48142
CAPITAL AND RESERVES				
Called up Share Capital		996		996
Retained Profit		62256		47146
		63252		48142

The accompanying notes form part of these Financial Statements. The Directors have taken advantage of the exemption conferred by Sub-Section 1 249A of the Companies Act 1985 not to have the Accounts Audited and confirm that no notice has been deposited under Section 249B(2) of the Companies Act 1985.

SHONTAINE LIMITED

NOTES TO THE BALANCE SHEET

The Directors acknowledge their responsibility for ensuring that:

1. The Company keeps accounting records which comply with Section 221 of the Companies Act 1985 and,

2. The Accounts give a true and fair view of the state of affairs of the Company as at the end of the financial period and of its profit for the period then ended in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as applicable to the Company.

3. The Accounts prepared are in accordance with the special provisions in Part V11 of the Companies Act 1985 relating to small companies.

The Accounts were approved by the Board of Directors

on 29 March 2004

Signed on behalf of the Board of Directors

.....(Director)

SHONTAINE LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2003

		2003	2002
TURNOVER		326518	306111
GROSS TRADING PROFIT		215176	201755
Administrative Expenses		198156	177762
OPERATING PROFIT			
Before Interest Payable		17020	23993
Other Income - Bank Interest Received		340	267
Interest Payable		-	-
PROFIT ON ORDINARY ACTIVITIES			
Before Taxation		17360	24260
Taxation	2907		
Less Previous Year Adjustment	657	2250	4670
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION			
RETAINED PROFIT FOR THE YEAR		15110	19590
BALANCE BROUGHT FORWARD		47146	81556
DIVIDEND PAID		-	(54000)
BALANCE CARRIED FORWARD		62256	47146

The accompanying notes form part of these financial statements.

RECOGNISED GAINS AND LOSSES

There were no recognised gains and losses during the year other than those included in the above accounts.

SHONTAINE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2003

1. ACCOUNTING POLICIES

(a) The Accounts have been prepared in accordance with the Historical Cost Convention and Accounting Standards.

(b) Depreciation

Depreciation has been provided so as to write off the cost of tangible fixed assets over their estimated useful lives at the following rates:-

Fixtures, Fittings and Equipment 15% p.a. reducing balance

(c) Turnover, gross profit and profit before and after taxation on ordinary activities relates to continued operation.

(d) Cashflow Statements

The Company has taken advantage of the exemption in Financial Reporting Standard Number 1 from the requirement to produce cashflow statement on the grounds that it is a small company.

2. TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Turnover which excludes value added tax, represents the value of services and goods sold in the course of the Company's trade. Stock has been valued at cost or net realisable value.

3. FIXED ASSETS

	Fixtures, Fittings, Plant and Equipment	
	2003	2002
Cost or Valuation at 1.1.03	56887	50251
Additions	9234	6636
Cost or Valuation at 31.12.03	66121	56887
Depreciation at 1.1.03	20082	13587
Depreciation for the Year	6905	6495
Depreciation at 31.12.03	26987	20082
NET BOOK VALUE AT 31.12.03	39134	36805

		2003	2002
4.	DEBTORS AND PREPAYMENTS		
	Prepayments	13959	14150
5.	CREDITORS		
	Amounts falling due within one year		
	Trade Creditors	12245	9512
	Sundry Creditors and Accrued Charges	8304	7514
	Corporation Tax	2907	4670
	Value Added Tax	6492	5404
	PAYE AND National Insurance	3563	1138
	Other Creditors	2355	12355
		35866	40593
6.	TAXATION		
	Corporation Tax Due on Profits	2907	4670

No provision has been made for deferred taxation as not material timing differences are expected to reverse in the foreseeable future.

7.	WAGES AND NATIONAL INSURANCE	2003	2002
	Directors Remuneration	21303	21200
	Employee Wages Cost	83023	67346
	Social Security Cost	4886	6430
		87909	73776
8.	SHARE CAPITAL		
	Authorised Shares of £1 each	1000	1000
	Issued Shares of £1 each		
	996 Ordinary Shares Fully Paid	996	996

		2003	2002
9.	OPERATING PROFIT		
	The operating profit is arrived at after charging:		
	Directors Remuneration	21303	21200
	Accountancy Charges	2800	4200
	Legal and Professional Charges	5903	-
	Depreciation	6905	6495
10.	RECONCILIATION OF MOVEMENTS IN SHARE FUNDS		
	Retained Profit for the Year	15110	19590
	Retained Profits brought forward	47146	81556
	Dividend Declared and Paid	-	(54000)
	Balance carried forward	62256	47146

SHONTAINE LIMITED

TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2003

		2003		2002
SALES		326518		306111
Stock as at 1 January 2003	10976		11291	
Purchases	110111		104041	
	121087		115332	
Stock as at 31 December 2003	9745	111342	10976	104356
GROSS PROFIT FOR THE YEAR		215176		201755
Bank Interest Received		340		267
		215516		202022
Directors Remuneration	21303		21200	
Wages and National Insurance	87909		73776	
Rent, Rates, Water and Insurance	38575		35605	
Light, Heat and Fuel	4821		5060	
Telephone	2357		2253	
Motor and Travelling Expenses	1338		1043	
Repairs, Renewals and Replacements	7522		7289	
Cleaning, Laundry and Sundry Expenses	4867		4254	
Pest Control and Food Safety	1119		1140	
Printing, Postage, Stationery and Advertising	4460		3615	
Bank Charges and Interest	511		570	
Credit Card Charges	4059		4224	
Accountancy Charges	2800		4200	
Packing, Serviettes and other Disposable Items	3707		7038	
Legal and Professional Charges	5903		-	
Depreciation	6905	198156	6495	177762
NET PROFIT FOR THE YEAR		17360		24260
Less Taxation	2907		4670	
Less Previous Year Adjustment	657	2250	-	4670
PROFIT AFTER TAXATION		15110		19590
RETAINED PROFIT BROUGHT FORWARD		47146		81556
Dividend Paid		-		(54000)
RETAINED PROFIT CARRIED FORWARD		62256		47146