

REGISTERED NUMBER: 2619811 (England and Wales)

Abbreviated Accounts for the Year Ended 31 December 2005

for

BITRODE LIMITED



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for the Year Ended 31 December 2005**

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BITRODE LIMITED

**Company Information
for the Year Ended 31 December 2005**

DIRECTORS:

R.J. Schaefer
Mrs B.A. Smith

SECRETARY:

Mrs B.A. Smith

REGISTERED OFFICE:

H1 Draycott Business Park
Dursley
Glos
GL11 5DQ

REGISTERED NUMBER:

2619811 (England and Wales)

AUDITORS:

Guilfoyle, Sage & Co.
Registered Auditors
Chartered Accountants
58 Eastgate Street
Gloucester
GL1 1QN

**Report of the Independent Auditors to
BITRODE LIMITED
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages three to five, together with the financial statements of BITRODE LIMITED for the year ended 31 December 2005 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.

Guilfoyle Sage & Co

Guilfoyle, Sage & Co.
Registered Auditors
Chartered Accountants
58 Eastgate Street
Gloucester
GL1 1QN

Date:

31 st October 2006

BITRODE LIMITED**Abbreviated Balance Sheet
31 December 2005**

	Notes	31.12.05 £	31.12.04 £
FIXED ASSETS			
Tangible assets	2	1,284	2,519
CURRENT ASSETS			
Stocks		5,000	5,000
Debtors		28,587	74,261
Cash at bank and in hand		<u>58,811</u>	<u>44,822</u>
		92,398	124,083
CREDITORS			
Amounts falling due within one year		<u>180,186</u>	<u>166,507</u>
NET CURRENT LIABILITIES		<u>(87,788)</u>	<u>(42,424)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(86,504)</u>	<u>(39,905)</u>
CAPITAL AND RESERVES			
Called up share capital	3	100	100
Share premium		39,445	39,445
Profit and loss account		<u>(126,049)</u>	<u>(79,450)</u>
SHAREHOLDERS' FUNDS		<u>(86,504)</u>	<u>(39,905)</u>

These abbreviated accounts 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 20, October 2006 and were signed on its behalf by:

Barbara A. Smith
Mrs B.A. Smith - Director

The notes form part of these abbreviated accounts

BITRODE LIMITED

Notes to the Abbreviated Accounts for the Year Ended 31 December 2005

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.

Plant and machinery etc	- 33% on cost, 25% on cost and 10 - 33% on cost
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Stocks

Stocks are 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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

BITRODE LIMITED**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2005****2. TANGIBLE FIXED ASSETS**

	Total £
COST	
At 1 January 2005	
and 31 December 2005	<u>76,157</u>
DEPRECIATION	
At 1 January 2005	73,639
Charge for year	<u>1,234</u>
At 31 December 2005	<u>74,873</u>
NET BOOK VALUE	
At 31 December 2005	<u>1,284</u>
At 31 December 2004	<u>2,518</u>

3. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.05 £	31.12.04 £
100	Ordinary share capital	£1	<u>100</u>	<u>100</u>

4. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of it's ultimate parent undertaking, Bitrode Corporation Inc., a company incorporated in the United States of America.