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REGISTERED NUMBER: 2619811 (England and Wales)

Abbreviated Accounts for the Year Ended 31 December 2004

for

BITRODE LIMITED

Contents of the Abbreviated Accounts for the Year Ended 31 December 2004

Company Information
for the Year Ended 31 December 2004

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 on pages three to five, together with the full financial statements of the company for the year ended 31 December 2004 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 accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

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. The scope of our work for the purpose of this report did 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 to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages three to five are properly prepared in accordance with those provisions.

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

Date: 14 November 2005

BITRODE LIMITED

Abbreviated Balance Sheet
31 December 2004

		31.12.04		31.12.03	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	2		2,519		21,940
CURRENT ASSETS:					
Stocks		5,000		19,009	
Debtors		74,261		190,362	
Cash at bank and in hand		44,822		56,950	
		124,083		266,321	
CREDITORS: Amounts falling due within one year		166,507		250,954	
NET CURRENT (LIABILITIES)/ASSETS:			(42,424)		15,367
TOTAL ASSETS LESS CURRENT LIABILITIES:			£(39,905)		£37,307
CAPITAL AND RESERVES:					
Called up share capital	3		100		100
Share premium			39,445		39,445
Profit and loss account			(79,450)		(2,238)
SHAREHOLDERS' FUNDS:			£(39,905)		£37,307

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 June 2002).

ON BEHALF OF THE BOARD:

Barbara A Smith
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Mrs B.A. Smith - Director

Approved by the Board on October 28, 2005

Notes to the Abbreviated Accounts
for the Year Ended 31 December 2004

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 June 2002).

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 or, if held under a finance lease, over the lease term, whichever is the shorter.

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

Stocks
Stock is 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 as incurred.

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
for the Year Ended 31 December 2004

2. TANGIBLE FIXED ASSETS

	Total
	£
COST:	
At 1 January 2004	122,548
Additions	3,741
Disposals	(50,132)
At 31 December 2004	76,157
DEPRECIATION:	
At 1 January 2004	100,608
Charge for year	9,586
Eliminated on disposals	(36,556)
At 31 December 2004	73,638
NET BOOK VALUE:	
At 31 December 2004	2,519
At 31 December 2003	21,940

3. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.04	31.12.03
			£	£
100	Ordinary share capital	£1	100	100

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.