

Company Registration No. 3092261

EUROPEAN FUTURES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

12792-B-2005

Registered Office
Suite 23, Park Royal House
23 Park Royal Road
London



EUROPEAN FUTURES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2005

The directors present their report and financial statements for the year ended 30 June 2005.

Principal activity

The principal activity of the company is to exploit intellectual property rights.

Review of the business and future developments

The directors consider that the results of the company are satisfactory and that the company is expected to continue at its present levels in the future.

Results and dividends

The results for the year are set out on page 3.

Dividends of €- have been paid during the period.(2004: €35,000).

Directors

The following directors have held office since 1 July 2004:

R.J. Wise

(Appointed 13 July 2004)

D.F. Lavin

The directors have no interest in the issued share capital of the company.

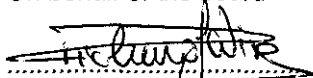
Directors' responsibilities

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 them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements 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 comply with the Companies Act 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.

On behalf of the board


R.J. Wise (Director)

Date: 24/09/05

MeesPierson Intertrust

ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE ACCOUNTS OF EUROPEAN FUTURES LIMITED

We report on the accounts for the year ended 30 June 2005.

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 30 June 2005, set out on pages 3 to 8 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.

Our procedures consisted of comparing the accounts with the accounting records kept by the company and making such enquiries of the officers and other officials of the company as we considered necessary for the purposes of this report.

In our opinion the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985.

MeesPierson Intertrust Ltd
MeesPierson Intertrust Limited

26/09/2005

MeesPierson Intertrust Limited

P.O. Box 227, Clinch's House, Lord Street, Douglas, Isle of Man, IM99 1RZ

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MeesPierson Intertrust Limited registered in the Isle of Man, Company Registration No. 28731

Licensed by the Isle of Man Financial Supervision Commission as a Corporate Service Provider

Directors: M.C. Cundy, B. Deconinck, M.W. Denton, M.J. Derbyshire, P.N. Eckersley, S.E. McGowan, S.J. Turner

Internet: www.meespiersonintertrust.com, E-mail: mail@meespiersonintertrust.com

EUROPEAN FUTURES LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2005

	Notes	2005 €	2004 €
Turnover	2	499,332	550,922
Cost of sales		(436,416)	(481,506)
Gross profit		62,916	69,416
Administrative expenses		(16,261)	(10,188)
Operating profit	3	46,655	59,228
Other interest receivable and similar income	4	-	10
Profit on ordinary activities before taxation		46,655	59,238
Tax on profit on ordinary activities	5	(39,947)	(44,049)
Profit on ordinary activities after taxation		6,708	15,189
Dividends	6	-	(35,000)
Retained profit/(loss) for the year	10	6,708	(19,811)
Profit brought forward at 1 July 2004		48,045	67,856
Profit carried forward at 30 June 2005		54,753	48,045

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

EUROPEAN FUTURES LIMITED

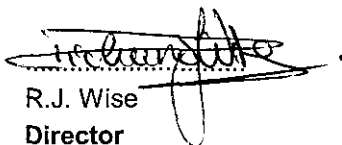
**BALANCE SHEET
AS AT 30 JUNE 2005**

	Notes	2005 €	2004 €
Current assets			
Debtors	7	242,209	255,075
Cash at bank and in hand		77,951	55,992
		<u>320,160</u>	<u>311,067</u>
Creditors: amounts falling due within one year	8	<u>(263,963)</u>	<u>(261,578)</u>
Total assets less current liabilities		<u>56,197</u>	<u>49,489</u>
Capital and reserves			
Called up share capital	9	1,444	1,444
Profit and loss account	10	54,753	48,045
Shareholders' funds - equity interests	11	<u>56,197</u>	<u>49,489</u>

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The financial statements were approved by the Board on 29 June 2005


R.J. Wise
Director

EUROPEAN FUTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention, and in accordance with applicable accounting standards.

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

1.2 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.3 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into euros at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Turnover

Turnover represents income derived from the company's principal activity.

3 Operating profit	2005	2004
	€	€

Operating profit is stated after charging:

Accountancy	1,613	1,950
	<u> </u>	<u> </u>

4 Other interest receivable and similar income	2005	2004
	€	€

Other interest	-	10
	<u> </u>	<u> </u>
	-	10
	<u> </u>	<u> </u>

EUROPEAN FUTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2005

5	Taxation	2005 €	2004 €
	Domestic current year tax		
	Corporation tax at 30.00% (2004 - 30.00%)	13,997	17,771
	Adjustment for prior years	-	(25)
	Double Taxation Relief	(13,997)	(17,771)
	Foreign corporation tax		
	Foreign corporation tax	39,947	44,074
	Current tax charge	39,947	44,049
		39,947	44,049
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	46,655	59,238
	Profit on ordinary activities before taxation multiplied by the standard rate of corporation tax of 30.00% (2004: 30.00%)	13,997	17,771
	Effects of:		
	Foreign Taxation	39,947	44,074
	Non deductible expenses	-	146
	Double Taxation relief	(13,997)	(17,917)
	Adjustments to previous periods	-	(25)
		25,950	26,278
	Current tax charge	39,947	44,049
6	Dividends	2005 €	2004 €
	Ordinary interim paid	-	35,000
7	Debtors	2005 €	2004 €
	Trade debtors	241,667	254,493
	Corporation tax	-	35
	Prepayments and accrued income	542	547
		242,209	255,075

EUROPEAN FUTURES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2005**

8 Creditors: amounts falling due within one year	2005	2004
	€	€
Trade creditors	229,584	241,768
Other creditors	5,221	6,810
Accruals and deferred income	29,158	13,000
	<u>263,963</u>	<u>261,578</u>

9 Share capital	2005	2004
	No.	No.
Authorised		
1,000 ordinary £1 shares	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid	€	€
1,000 ordinary £1 shares	<u>1,444</u>	<u>1,444</u>

10 Statement of movements on profit and loss account	Profit and loss account
	€
Balance at 1 July 2004	48,045
Retained profit for the year	<u>6,708</u>
Balance at 30 June 2005	<u>54,753</u>

11 Reconciliation of movements in shareholders' funds	2005	2004
	€	€
Profit for the financial year	6,708	15,189
Dividends	-	(35,000)
Net addition to/(depletion in) shareholders' funds	<u>6,708</u>	<u>(19,811)</u>
Opening shareholders' funds	49,489	69,300
Closing shareholders' funds	<u>56,197</u>	<u>49,489</u>

12 Contingent liabilities

There were no known contingent liabilities as at the balance sheet date.

EUROPEAN FUTURES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2005**

13 Capital commitments

There were no major capital commitments as at the balance sheet date

14 Employees

Number of employees

There were no employees during the year apart from the directors. The directors received no remuneration during the year.

15 Immediate parent company

The immediate parent company is Damelar AG Limited a company registered in Liechtenstein.

16 Ultimate Controlling Party and Related Party Transactions

The directors are aware of the identity of the ultimate controlling party. However, they are under a duty of confidentiality that prevents them from disclosing certain information otherwise required by Financial Reporting Standard 8. Therefore they have taken the exemption offered by the Standard in respect of confidentiality.