

Company Registration No. 3095801 (England and Wales)

MOS METAL STEEL LIMITED
DIRECTOR'S REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005



MOS METAL STEEL LIMITED

COMPANY INFORMATION

| | |
|--------------------------|-------------------------------------|
| Director | Lambda Directors Limited |
| Secretary | Wigmore Secretaries Limited |
| Company number | 3095801 |
| Registered office | 38 Wigmore Street London W1U 2HA |

MOS METAL STEEL LIMITED

CONTENTS

| | Page |
|-----------------------------------|-------|
| Director's report | 1 |
| Profit and loss account | 2 |
| Balance sheet | 3 |
| Notes to the financial statements | 4 - 6 |

MOS METAL STEEL LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2005

The director presents his report and financial statements for the year ended 31 December 2005.

Principal activities

The principal activity of the company continued to be that of provision of administrative services.

Director

The following director has held office since 1 January 2005:

Lambda Directors Limited

Director's interests

The director's interest in the shares of the company was as stated below:

| Ordinary shares of £1 each | |
|----------------------------|----------------|
| 31 December 2005 | 1 January 2005 |

Lambda Directors limited

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



Lambda Directors Limited

Director

21/06/2006

MOS METAL STEEL LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2005

| | Notes | 2005 € | 2004 € |
|--|-------|-----------|-----------|
| Turnover | 1 | 15,153 | 17,215 |
| Administrative expenses | | (17,822) | (14,245) |
| Operating (loss)/profit | | (2,669) | 2,970 |
| Interest payable and similar charges | | (675) | (184) |
| (Loss)/profit on ordinary activities before taxation | | (3,344) | 2,786 |
| Tax on (loss)/profit on ordinary activities | 2 | - | (4,176) |
| Loss on ordinary activities after taxation | 8 | (3,344) | (1,390) |

MOS METAL STEEL LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2005

| | Notes | 2005 € | € | 2004 € | € |
|---|-------|--------------------|--------------------|-----------------|--------------|
| Fixed assets | | | | | |
| Tangible assets | 3 | 1,387,836 | | - | |
| Investments | 4 | | 7 | | 7 |
| | | <u>1,387,843</u> | | | <u>7</u> |
| Current assets | | | | | |
| Debtors | 5 | - | | 10,753 | |
| Cash at bank and in hand | | 1,363 | | 6,314 | |
| | | <u>1,363</u> | | <u>17,067</u> | |
| Creditors: amounts falling due within one year | 6 | <u>(1,390,893)</u> | | <u>(15,417)</u> | |
| Net current (liabilities)/assets | | | <u>(1,389,530)</u> | | <u>1,650</u> |
| Total assets less current liabilities | | | <u>(1,687)</u> | | <u>1,657</u> |
| Capital and reserves | | | | | |
| Called up share capital | 7 | 1,600 | | 1,600 | |
| Profit and loss account | 8 | (3,287) | | 57 | |
| Shareholders' funds | | | <u>(1,687)</u> | | <u>1,657</u> |

In preparing these financial statements:

- The director is of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- The director acknowledges his responsibilities for:
 - ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - 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.

These financial statements 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).

The financial statements were approved by the Board on 21/06/2006


 Lambda Directors Limited
 Director

MOS METAL STEEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Turnover

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

1.3 Tangible fixed assets and depreciation

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), it is a departure from the general requirement of the Companies Act 1985 for all tangible assets to be depreciated. In the opinion of the director compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

1.4 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.5 Foreign currency translation

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

2 Taxation

| | 2005 | 2004 |
|----------------------------------|-------|-------|
| | € | € |
| Domestic current year tax | | |
| U.K. corporation tax | - | 837 |
| Adjustment for prior years | - | 3,339 |
| | <hr/> | <hr/> |
| Current tax charge | - | 4,176 |
| | <hr/> | <hr/> |

3 Tangible fixed assets

| | Investment properties € |
|---------------------|-------------------------------|
| Cost | |
| At 1 January 2005 | - |
| Additions | 1,387,836 |
| | <hr/> |
| At 31 December 2005 | 1,387,836 |
| | <hr/> |

MOS METAL STEEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

4 Fixed asset investments

| | Unlisted investments € |
|---|------------------------------|
| Cost | |
| At 1 January 2005 & at 31 December 2005 | 7 |
| Net book value | |
| At 31 December 2005 | 7 |
| At 31 December 2004 | 7 |

Unlisted investments represent a 5% investment in a partnership called Metal Trading Group.

| 5 Debtors | 2005 € | 2004 € |
|---------------|-----------|-----------|
| Other debtors | - | 10,753 |

| 6 Creditors: amounts falling due within one year | 2005 € | 2004 € |
|--|-----------|-----------|
| Bank loans and overdrafts | 901,274 | - |
| Taxation and social security | 837 | 837 |
| Other creditors | 488,782 | 14,580 |
| | 1,390,893 | 15,417 |

| 7 Share capital | 2005 € | 2004 € |
|---|-----------|-----------|
| Authorised | | |
| 1,000 Ordinary shares of £1 each | 1,600 | 1,600 |
| Allotted, called up and fully paid | | |
| 1,000 Ordinary shares of £1 each | 1,600 | 1,600 |

MOS METAL STEEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

8 Statement of movements on profit and loss account

| | Profit and loss account € |
|-----------------------------|------------------------------------|
| Balance at 1 January 2005 | 57 |
| Retained loss for the year | (3,344) |
| | <hr/> |
| Balance at 31 December 2005 | (3,287) |
| | <hr/> |

9 Control

The ultimate controlling party is not known to the director.

10 Related party transactions

The following balances existed with related parties at 31 December 2005:

a) Loan from shareholders - € 8,291 (2004 - € 8,291) .

MOS METAL STEEL LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2005

| | 2005 € | 2004 € |
|--------------------------------------|-----------|-----------|
| Turnover | | |
| Commissions receivable | 15,153 | 17,215 |
| Administrative expenses | (17,822) | (14,245) |
| Operating (loss)/profit | (2,669) | 2,970 |
| Interest payable | | |
| Bank interest payable | 675 | - |
| Interest on overdue tax paid | - | 184 |
| | (675) | (184) |
| (Loss)/profit before taxation | (3,344) | 2,786 |

MOS METAL STEEL LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED 31 DECEMBER 2005

| | 2005 | 2004 |
|---|---------------|---------------|
| | € | € |
| Administrative expenses | | |
| Rates | 990 | - |
| Accountancy | - | 1,106 |
| Bank charges | 880 | 338 |
| (Profit)/loss on foreign currency translation | (2,074) | 60 |
| Other administration expenses | 17,879 | 12,741 |
| Sundry expenses - non allowable | 147 | - |
| | <u>17,822</u> | <u>14,245</u> |