

Company Registration No. 3252580 (England and Wales)

TRADEWISE ENGINEERING LIMITED
DIRECTOR'S REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005



TRADEWISE ENGINEERING LIMITED

COMPANY INFORMATION

Director	G Ostini
Secretary	Templerose Limited
Company number	3252580
Registered office	21 Bedford Square London WC1B 3HH
Accountants	SPL Associates Atherton House 13 Lower Southend Road Wickford Essex SS11 8AB

TRADEWISE ENGINEERING LIMITED

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TRADEWISE ENGINEERING 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 activities of the company are the provision of administrative services, to exploit intellectual property rights and that of an investment company.

Director

The following director has held office since 1 January 2005:

G Ostini

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

G Ostini	-	-
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Director's responsibilities

Company law requires the director 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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


G Ostini

Director

20-10-2006

TRADEWISE ENGINEERING LIMITED

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF TRADEWISE ENGINEERING LIMITED

In accordance with the latest engagement letter, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of Tradewise Engineering Limited for the year ended 31 December 2005, set out on pages 3 to 8 from the accounting records and information and explanations you have given to us.

This report is made to the Company's Board of Directors, as above, in accordance with the terms of engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters we have agreed to state to them in this 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 and the Company's Board of Directors as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 31 December 2005 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

SPL Associates

SPL Associates

25/10/06

Chartered Accountants

Atherton House
13 Lower Southend Road
Wickford
Essex
SS11 8AB

TRADEWISE ENGINEERING LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2005

	Notes	2005 £	2004 £
Turnover		30,585	34,321
Cost of sales		(21,557)	(24,336)
Gross profit		9,028	9,985
Administrative expenses		(3,594)	(7,490)
Operating profit		5,434	2,495
Interest payable and similar charges		-	(35)
Profit on ordinary activities before taxation		5,434	2,460
Tax on profit on ordinary activities	2	(6,588)	(7,437)
Loss on ordinary activities after taxation	7	(1,154)	(4,977)

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.

TRADEWISE ENGINEERING LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2005

	Notes	2005 £	£	2004 £	£
Fixed assets					
Investments	3		1,462		1,462
Current assets					
Debtors	4	33,621		164,819	
Cash at bank and in hand		1,388		3,166	
		<u>35,009</u>		<u>167,985</u>	
Creditors: amounts falling due within one year	5	<u>(25,654)</u>		<u>(157,476)</u>	
Net current assets			9,355		10,509
Total assets less current liabilities			<u>10,817</u>		<u>11,971</u>
Capital and reserves					
Called up share capital	6		1,000		1,000
Profit and loss account	7		9,817		10,971
Shareholders' funds - equity interests	8		<u>10,817</u>		<u>11,971</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.

The financial statements were approved by the Board on 20.10.2006.

G Ostini
Director

TRADEWISE ENGINEERING 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.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards, which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts derived from the principal activities of the company.

1.4 Investments

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

1.5 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance had not been discounted.

1.6 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling 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.

TRADEWISE ENGINEERING LIMITED

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

2	Taxation	2005 £	2004 £
	Domestic current year tax		
	U.K. corporation tax	1,438	1,656
	Foreign corporation tax		
	Other foreign tax	5,150	5,781
		<hr/>	<hr/>
	Current tax charge	6,588	7,437
		<hr/>	<hr/>
		6,588	7,437
		<hr/>	<hr/>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	5,434	2,460
		<hr/>	<hr/>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2004: 19.00%)	1,032	467
		<hr/>	<hr/>
	Effects of:		
	Non deductible expenses	217	190
	Expenses carried forward as trading losses	189	999
	Surplus foreign tax	5,150	5,781
		<hr/>	<hr/>
		5,556	6,970
		<hr/>	<hr/>
	Current tax charge	6,588	7,437
		<hr/>	<hr/>

TRADEWISE ENGINEERING LIMITED

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

3 Fixed asset investments

	Unlisted investments £
Cost	
At 1 January 2005 & at 31 December 2005	1,462
Net book value	
At 31 December 2005	1,462
At 31 December 2004	1,462

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Participating interests			
Wett Srl	Italy	Ordinary	20.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves 2005 £	Profit for the year 2005 £
	Principal activity		
Wett Srl	See below	(2,023,227)	(1,976,323)

The principal activity of the investment is the production of a chemical liquid for use in anti-pollution items in the paper industry.

4 Debtors	2005 £	2004 £
Trade debtors	22,691	159,038
Other debtors	10,930	5,781
	<u>33,621</u>	<u>164,819</u>

TRADEWISE ENGINEERING LIMITED

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

5	Creditors: amounts falling due within one year	2005	2004
		£	£
	Trade creditors	4,816	-
	Taxation and social security	1,043	2,038
	Other creditors	19,795	155,438
		<u>25,654</u>	<u>157,476</u>
6	Share capital	2005	2004
		£	£
	Authorised		
	10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
	Allotted, called up and fully paid		
	1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
7	Statement of movements on profit and loss account		Profit and loss account £
	Balance at 1 January 2005		10,971
	Retained loss for the year		(1,154)
	Balance at 31 December 2005		<u>9,817</u>
8	Reconciliation of movements in shareholders' funds	2005	2004
		£	£
	Loss for the financial year	(1,154)	(4,977)
	Opening shareholders' funds	<u>11,971</u>	<u>16,948</u>
	Closing shareholders' funds	<u>10,817</u>	<u>11,971</u>

9 Related party transactions

The total related business in which the company was involved amounted to £193,725 (2004: £206,785).