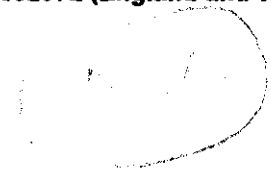


Company Registration No. 3562372 (England and Wales)



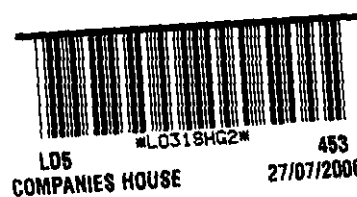
TREEHERN LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 SEPTEMBER 2005

**ELIJAH & CO
CHARTERED ACCOUNTANTS
46 WOODLANDS
GOLDERS GREEN
LONDON**



TREEHERN LIMITED

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TREEHERN LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2005

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

Principal activities

The principal activity of the company continued to be that of acting as intermediaries in trading of precious wood.

Directors

The following directors have held office since 1 October 2004:

P D Purkis

Mayfair Corporate Management Limited

(Resigned 17 January 2006)

Hanover Corporate Management Limited

(Appointed 17 January 2006)

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	30 September 2005	1 October 2004
P D Purkis	-	-
Mayfair Corporate Management Limited	-	-

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;
- 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 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.

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

By order of the board



Hanover Corporate Services Limited

Secretary

24 July 2006

TREEHERN LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2005

	Notes	2005 £	2004 £
Turnover		67,223	36,240
Administrative expenses		(61,408)	(42,864)
Operating profit/(loss)		5,815	(6,624)
Other interest receivable and similar income	2	11	7
Profit/(loss) on ordinary activities before taxation		5,826	(6,617)
Tax on profit/(loss) on ordinary activities	3	-	-
Profit/(loss) on ordinary activities after taxation	7	5,826	(6,617)

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.

TREEHERN LIMITED

BALANCE SHEET AS AT 30 SEPTEMBER 2005

	Notes	2005 £	£	2004 £	£
Current assets					
Debtors	4	27		2,721	
Cash at bank and in hand		37,524		17,143	
		<u>37,551</u>		<u>19,864</u>	
Creditors: amounts falling due within one year	5	<u>(47,127)</u>		<u>(35,266)</u>	
Total assets less current liabilities			<u>(9,576)</u>		<u>(15,402)</u>
Capital and reserves					
Called up share capital	6		1,000		1,000
Profit and loss account	7		<u>(10,576)</u>		<u>(16,402)</u>
Shareholders' funds - equity interests	8		<u>(9,576)</u>		<u>(15,402)</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.

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 24 July 2006

Dingia Orian

Hanover Corporate Management Limited
Director

TREEHERN LIMITED

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

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

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 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 receivable for goods and services net of VAT and trade discounts.

1.4 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 has not been discounted.

1.5 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.

2 Investment income	2005	2004
	£	£
Bank interest	11	7
	<u> </u>	<u> </u>
3 Taxation	2005	2004
Current tax charge	-	-
	<u> </u>	<u> </u>
Factors affecting the tax charge for the year		
Profit/(loss) on ordinary activities before taxation	5,826	(6,617)
	<u> </u>	<u> </u>
Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 0.00% (2004 - 0.00%)	-	-
	<u> </u>	<u> </u>
Current tax charge	-	-
	<u> </u>	<u> </u>

The company has estimated losses of £ 10,576 (2004 - £ 16,402) available for carry forward against future trading profits.

TREEHERN LIMITED

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

4 Debtors	2005	2004
	£	£
Trade debtors	27	2,721
	<u> </u>	<u> </u>
5 Creditors: amounts falling due within one year	2005	2004
	£	£
Other creditors	47,127	35,266
	<u> </u>	<u> </u>
6 Share capital	2005	2004
	£	£
Authorised		
1,000,000 Ordinary shares of £1 each	1,000,000	1,000,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000
	<u> </u>	<u> </u>
7 Statement of movements on profit and loss account		Profit and loss account £
Balance at 1 October 2004		(16,402)
Retained profit for the year		5,826
		<u> </u>
Balance at 30 September 2005		(10,576)
		<u> </u>
8 Reconciliation of movements in shareholders' funds	2005	2004
	£	£
Profit/(Loss) for the financial year	5,826	(6,617)
Opening shareholders' funds	(15,402)	(8,785)
	<u> </u>	<u> </u>
Closing shareholders' funds	(9,576)	(15,402)
	<u> </u>	<u> </u>
9 Related party transactions		

Included in other creditors at the year end are shareholders loan of £12,151 (2004 - £9,151) and P D Purkis's directors loan account of £24,830 (2004 - £20,845) These loans are interest free and payable on demand.