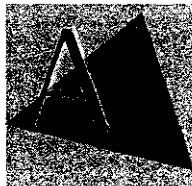


Report of the Director and  
Unaudited Financial Statements For The Year Ended 31 December 2005  
for  
Pentel Limited



**ASHFORDS**  
Partnership LLP

Chartered Certified Accountants  
Registered Auditors

**Pentel Limited**

**Contents of the Financial Statements**  
**For The Year Ended 31 December 2005**

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**Pentel Limited**

**Company Information**  
**For The Year Ended 31 December 2005**

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**DIRECTOR:** Mrs E C Turner

**SECRETARY:** B W Turner

**REGISTERED OFFICE:** 269 Green Street  
London  
E7 8LJ

**REGISTERED NUMBER:** 4151961 (England and Wales)

**ACCOUNTANTS:** Ashfords Partnership LLP  
114-116 Goodmayes Road  
Ilford  
Essex  
IG3 9UZ

Pentel Limited

Report of the Director  
For The Year Ended 31 December 2005

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The director presents her report with the financial statements of the company for the year ended 31 December 2005.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of

**DIRECTOR**

Mrs E C Turner was the sole director during the year under review.

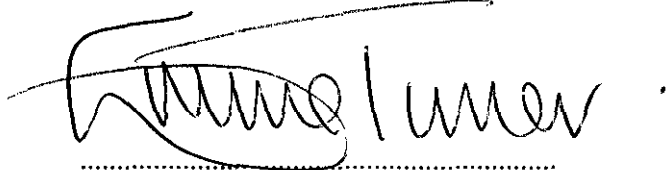
Her beneficial interest in the shares of the company, according to the register of directors' interests, was as follows:

	31.12.05	1.1.05
Ordinary shares of £1 each	2	2

She did not hold any non-beneficial interests in the shares of the company.

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:**



.....  
Director

Date: 8/8/2006 .....

Pentel Limited

Profit and Loss Account  
For The Year Ended 31 December 2005

	Notes	31.12.05 £	31.12.04 £
<b>TURNOVER</b>		158,956	183,387
Administrative expenses		128,883	132,976
<b>OPERATING PROFIT</b>	2	30,073	50,411
Interest receivable and similar income		-	3
		30,073	50,414
Interest payable and similar charges		85,031	80,658
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(54,958)	(30,244)
Tax on loss on ordinary activities	3	-	4,924
<b>LOSS FOR THE FINANCIAL YEAR AFTER TAXATION</b>		(54,958)	(35,168)

The notes form part of these financial statements

**Pentel Limited**

**Balance Sheet**  
**31 December 2005**

		31.12.05		31.12.04	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	4		3,242,043		3,318,482
<b>CURRENT ASSETS</b>					
Debtors	5	3,974		1,868	
Cash at bank		700		700	
		<u>4,674</u>		<u>2,568</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	6	<u>2,128,518</u>		<u>2,174,580</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(2,123,844)</u>		<u>(2,172,012)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			1,118,199		1,146,470
<b>CREDITORS</b>					
Amounts falling due after more than one year	7		<u>1,305,852</u>		<u>1,279,165</u>
<b>NET LIABILITIES</b>			<u>(187,653)</u>		<u>(132,695)</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	8		100		100
Profit and loss account	9		<u>(187,753)</u>		<u>(132,795)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>(187,653)</u>		<u>(132,695)</u>

The notes form part of these financial statements

Pentel Limited

Balance Sheet - continued  
31 December 2005

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The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 December 2005.

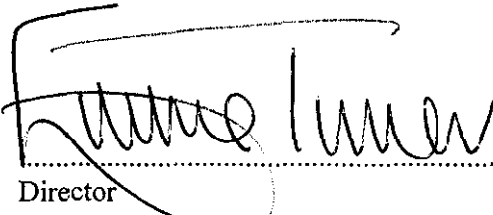
The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2005 in accordance with Section 249B(2) of the Companies Act 1985.

The director acknowledges her responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, 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 January 2005).

The financial statements were approved by the director on ..... 8/8/2006 ..... and were signed by:

  
.....  
Director

The notes form part of these financial statements

**Pentel Limited**

**Notes to the Financial Statements**  
**For The Year Ended 31 December 2005**

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**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 January 2005).

**Turnover**

Turnover represents net invoiced sales of services, 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.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**2. OPERATING PROFIT**

The operating profit is stated after charging:

	31.12.05	31.12.04
	£	£
Depreciation - owned assets	76,439	79,812
	<u>          </u>	<u>          </u>
Director's emoluments and other benefits etc	-	-
	<u>          </u>	<u>          </u>

**3. TAXATION**

**Analysis of the tax charge**

The tax charge on the loss on ordinary activities for the year was as follows:

	31.12.05	31.12.04
	£	£
Current tax:		
UK corporation tax	-	4,924
	<u>          </u>	<u>          </u>
Tax on loss on ordinary activities	-	4,924
	<u>          </u>	<u>          </u>



**Pentel Limited**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 December 2005**

**4. TANGIBLE FIXED ASSETS**

	Land and buildings £	Plant and machinery etc £	Totals £
<b>COST</b>			
At 1 January 2005 and 31 December 2005	3,432,271	119,553	3,551,824
<b>DEPRECIATION</b>			
At 1 January 2005	191,245	42,097	233,342
Charge for year	64,821	11,618	76,439
At 31 December 2005	256,066	53,715	309,781
<b>NET BOOK VALUE</b>			
At 31 December 2005	3,176,205	65,838	3,242,043
At 31 December 2004	3,241,026	77,456	3,318,482

**5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.05 £	31.12.04 £
Trade debtors	100	100
Other debtors	3,874	1,768
	3,974	1,868

**6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.05 £	31.12.04 £
Bank loans and overdrafts	148,597	169,236
Trade creditors	2,393	2,393
Taxation and social security	-	4,924
Other creditors	1,977,528	1,998,027
	2,128,518	2,174,580

**7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.12.05 £	31.12.04 £
Bank loans	1,305,852	1,279,165

Pentel Limited

Notes to the Financial Statements - continued  
For The Year Ended 31 December 2005

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7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR - continued

	31.12.05	31.12.04
	£	£

Amounts falling due in more than five years:

Repayable by instalments

Barclays Bank Loans'

1,305,852	1,279,165
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8. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	31.12.05	31.12.04
			£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.05	31.12.04
			£	£
2	Ordinary	£1	<u>100</u>	<u>100</u>

9. RESERVES

Profit  
and loss  
account  
£

At 1 January 2005 (132,795)

Deficit for the year (54,958)

At 31 December 2005 (187,753)

10. GOING CONCERN

The financial statements have been prepared on a going concern basis. This is based on the company receiving continued support from its bankers and the director. The assets of the company are stated at historical value and not its full market value. The director is of the opinion that the current assets should reflect a positive status in the future.

Pentel Limited

Report of the Accountants to the Director of  
Pentel Limited

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As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 December 2005 set out on pages three to eight and you consider that the company is exempt from an audit.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



Ashfords Partnership LLP  
114-116 Goodmayes Road  
Ilford  
Essex  
IG3 9UZ

Date: ... 8/8/2006 .....

This page does not form part of the statutory financial statements

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**Pentel Limited**

**Profit and Loss Account**  
**For The Year Ended 31 December 2005**

	31.12.05		31.12.04	
	£	£	£	£
<b>Rent</b>		158,956		183,387
<b>Other income</b>				
Deposit account interest		-		3
		<u>158,956</u>		<u>183,390</u>
<b>Expenditure</b>				
Rates and water	125		140	
Insurance	3,126		3,031	
Light and heat	76		63	
Telephone	513		-	
Repairs and renewals	10,438		19,233	
Household and cleaning	84		1,000	
Agent's fees	9,630		10,597	
Freight & Storage	1,005		-	
Sundry expenses	2,195		431	
Legal fees	1,057		425	
Accountancy fees	4,835		3,835	
Depreciation of tangible fixed assets				
Freehold property	64,821		66,143	
Fixtures and fittings	11,618		13,669	
	<u>109,523</u>		<u>118,567</u>	
		49,433		64,823
<b>Finance costs</b>				
Bank charges	19,360		14,409	
Bank loan interest	85,031		80,658	
	<u>104,391</u>		<u>95,067</u>	
<b>NET LOSS</b>		<u>(54,958)</u>		<u>(30,244)</u>

This page does not form part of the statutory financial statements