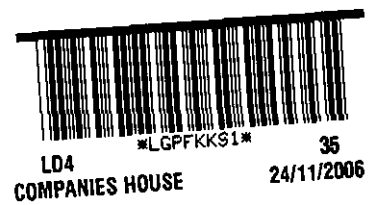


Company Registration No. 5342386 (England and Wales)

BOXBRANDS LIMITED

**DIRECTORS' REPORT AND
UNAUDITED FINANCIAL STATEMENTS**

FOR THE PERIOD ENDED 30 JUNE 2006



BOXBRANDS LIMITED

COMPANY INFORMATION

Directors	T A Staveley	(Appointed 25 January 2005)
	H Piney	(Appointed 25 January 2005)
	F A Dada	(Appointed 3 November 2005)

Secretary	T A Staveley
------------------	--------------

Company number	5342386
-----------------------	---------

Registered office	Studio 111 Westbourne Studios 242 Acklam Road London W10 5JJ
--------------------------	--

Accountants	Freeman & Partners Chartered Accountants 30 St James's Street London SW1A 1HB
--------------------	---

Business address	Studio 111 Westbourne Studios 242 Acklam Road London W10 5JJ
-------------------------	--

Bankers	Barclays Bank PLC Westmoorland House Scrubbs Lane London NW10 6AH
----------------	---

BOXBRANDS LIMITED

CONTENTS

	Page
Directors' report	1
Accountants' report	2
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5 - 7

BOXBRANDS LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2006

The directors present their report and financial statements for the period ended 30 June 2006.

Principal activities

The principal activity of the company is manufacture of electrical equipment. The company was incorporated on 25th January 2005 and commenced trading on the 1st February 2005.

Directors

The following directors have held office since 25 January 2005:

T A Staveley	(Appointed 25 January 2005)
H Piney	(Appointed 25 January 2005)
F A Dada	(Appointed 3 November 2005)

Directors' interests

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

	Ordinary Shares of 10p each	
	30 June 2006	25 January 2005
T A Staveley	505,429	8,000
H Piney	104,571	2,000
F A Dada	87,143	-

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

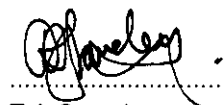
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- 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.

On behalf of the board



T A Staveley

Director

23 November 2006

BOXBRANDS LIMITED

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE
UNAUDITED FINANCIAL STATEMENTS OF BOXBRANDS LIMITED**

In accordance with the engagement letter dated 23 May 2005, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of Boxbrands Limited for the period ended 30 June 2006, set out on pages 3 to 7 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 a body, 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 30 June 2006 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 period.

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.



Freeman & Partners

23 November 2006

Chartered Accountants
30 St James's Street
London
SW1A 1HB

BOXBRANDS LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 30 JUNE 2006**

		Period ended 30 June 2006 £
	Notes	
Administrative expenses		(90,852)
Operating loss	2	<u>(90,852)</u>
Other interest receivable and similar income	3	568
Loss on ordinary activities before taxation		<u>(90,284)</u>
Tax on loss on ordinary activities	4	-
Loss for the period	9	<u><u>(90,284)</u></u>

BOXBRANDS LIMITED**BALANCE SHEET
AS AT 30 JUNE 2006**

	Notes	2006 £	£
Fixed assets			
Tangible assets	5		97,220
Current assets			
Stocks		55,433	
Debtors	6	11,909	
Cash at bank and in hand		106,896	
		<u>174,238</u>	
Creditors: amounts falling due within one year	7	<u>(117,884)</u>	
Net current assets			<u>56,354</u>
Total assets less current liabilities			<u>153,574</u>
Capital and reserves			
Called up share capital	8		106,158
Share premium account	9		137,700
Profit and loss account	9		<u>(90,284)</u>
Shareholders' funds			<u>153,574</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 period and of its profit or loss for the financial period 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 January 2005).

Approved by the Board for issue on 23 November 2006



T A Staveley
Director

BOXBRANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2006

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 January 2005).

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	33.3% per annum on a straightline basis
Computer equipment	33.3% per annum on a straightline basis
Furniture and Fixtures	33.3% per annum on a straightline basis
Motor vehicles	33.3% per annum on a straightline basis

No depreciation was charged on plant and machinery to 30 June 2006 as the assets were not in use.

2 Operating loss	2006
	£

Operating loss is stated after charging:

Depreciation of tangible assets	1,417
Directors' emoluments	39,000
	<hr/>

3 Investment income	2006
	£

Bank interest	568
	<hr/>

4 Taxation

The company has estimated losses of £ 133,630 available for carry forward against future trading profits.

On the basis of the Financial Statements no provision has been made for Corporation Tax.

BOXBRANDS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 30 JUNE 2006****5 Tangible fixed assets****Plant and
machinery etc****£****Cost**

At 25 January 2005

-

Additions

98,637

At 30 June 2006

98,637

Depreciation

At 25 January 2005

-

Charge for the period

1,417

At 30 June 2006

1,417

Net book value

At 30 June 2006

97,220

6 Debtors**2006****£**

Other debtors

11,909

7 Creditors: amounts falling due within one year**2006****£**

Trade creditors

54,418

Taxation and social security

5,230

Other creditors

58,236

117,884

BOXBRANDS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 30 JUNE 2006**

8 Share capital	2006
	£
Authorised	
10,000,000 Ordinary Shares of 10p each	1,000,000
	<u> </u>
Allotted, called up and fully paid	
1,061,583 Ordinary Shares of 10p each	106,158
	<u> </u>

On the incorporation of the company, 10,000 Ordinary 10p shares were issued at par value.

On 27th April 2005, 600,000 Ordinary 10p shares were issued at par value.

On 3rd May 2005, 87,143 Ordinary 10p shares were issued at a premium of 1p per share.

On 2nd November 2005, 336,839 Ordinary 10p shares were issued at a premium of 39p per share, while 27,601 Ordinary 10p shares were issued at a premium of 26p per share.

Hence, the total Ordinary 10p shares allotted during the year amounted to 1,061,583.

9 Statement of movements on reserves

	Share premium account £	Profit and loss account £
Loss for the period	-	(90,284)
Premium on shares issued during the period	137,700	-
	<u> </u>	<u> </u>
Balance at 30 June 2006	137,700	(90,284)
	<u> </u>	<u> </u>

10 Control

There is no immediate or ultimate controlling party.

11 Post balance sheet events

On 1st July 2006, 193,017 Ordinary 10p shares were allotted as a rights issue at a premium of 41.81p per share.