

**REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2005  
FOR  
TRATOS LIMITED**



# **TRATOS LIMITED**

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**TRATOS LIMITED**  
**COMPANY INFORMATION**  
**for the year ended 31st December 2005**

**DIRECTORS:**

Mr P A H Stewart  
Mr A Bragagni  
Mr J S Light  
Mr J L H Stewart  
Mr M Bragagni

**SECRETARIES:**

Mr D J Whitaker

**REGISTERED OFFICE:**

Unit 1  
Park Road  
Holmewood Industrial Estate  
Chesterfield  
Derbyshire  
S42 5UW

**REGISTERED NUMBER:**

1524815 (England and Wales)

**AUDITORS:**

Hewitt Card  
Chartered Accountants  
Registered Auditors  
72 Nottingham Road  
Mansfield  
Nottinghamshire  
NG18 1BN

## TRATOS LIMITED

### REPORT OF THE DIRECTORS for the year ended 31st December 2005

The directors present their report with the financial statements of the company and the group for the year ended 31st December 2005.

#### PRINCIPAL ACTIVITIES

The principal activities of the group in the year under review were those of the distribution of electrical cables, crane, electrical and ancillary equipment.

#### REVIEW OF BUSINESS

The results for the year and financial position of the company and the group are as shown in the annexed financial statements.

#### DIVIDENDS

No dividends will be distributed for the year ended 31st December 2005.

#### DIRECTORS

The directors during the year under review were:

Mr P A H Stewart  
Mr A Bragagni  
Mr J S Light  
Mr J L H Stewart  
Mr M Bragagni

The beneficial interests of the directors holding office on 31st December 2005 in the issued share capital of the company were as follows:

	31.12.05	1.1.05
<b>Ordinary £1 shares</b>		
Mr P A H Stewart	-	-
Mr A Bragagni	10	2
Mr J S Light	32	24
Mr J L H Stewart	-	24
Mr M Bragagni	8	-

The remaining 50 shares are held by Tratos Cavi Spa, the company's parent company which is registered in Italy.

#### STATEMENT OF 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 the group and of the profit or loss of the group 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 the group and to 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**TRATOS LIMITED**

**REPORT OF THE DIRECTORS  
for the year ended 31st December 2005**

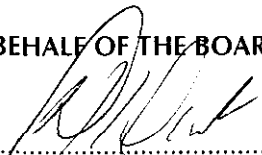
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**AUDITORS**

The auditors, Hewitt Card, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

**ON BEHALF OF THE BOARD:**

  
.....

Mr D J Whitaker - Secretary

Date: 4<sup>TH</sup> APRIL 2006

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TRATOS LIMITED

We have audited the financial statements of TRATOS LIMITED for the year ended 31st December 2005 on pages five to nineteen. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements; if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

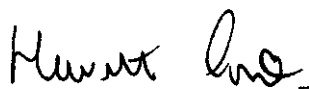
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company and the group as at 31st December 2005 and of the profit of the group for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

Hewitt Card  
Chartered Accountants  
Registered Auditors  
72 Nottingham Road  
Mansfield  
Nottinghamshire  
NG18 1BN



Date: 4/4/06

**TRATOS LIMITED**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
for the year ended 31st December 2005

	Notes	2005 £	2004 £
<b>TURNOVER</b>		<b>7,111,465</b>	<b>7,268,606</b>
Cost of sales		<u>6,026,789</u>	<u>6,245,306</u>
<b>GROSS PROFIT</b>		<b>1,084,676</b>	<b>1,023,300</b>
Administrative expenses		<u>1,041,368</u>	<u>1,043,325</u>
		<b>43,308</b>	<b>(20,025)</b>
Other operating income		<u>65,880</u>	<u>34,920</u>
<b>OPERATING PROFIT</b>	3	<b>109,188</b>	<b>14,895</b>
Interest receivable and similar income		<u>316</u>	<u>1,060</u>
		<b>109,504</b>	<b>15,955</b>
Interest payable and similar charges	4	<u>63,516</u>	<u>67,516</u>
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>45,988</b>	<b>(51,561)</b>
Tax on profit/(loss) on ordinary activities	5	<u>16,935</u>	<u>721</u>
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION</b>		<b>29,053</b>	<b>(52,282)</b>
<b>RETAINED PROFIT/(DEFICIT) FOR THE YEAR FOR THE GROUP</b>		<b>29,053</b>	<b>(52,282)</b>

**CONTINUING OPERATIONS**

None of the group's activities were acquired or discontinued during the current and previous years.


**TOTAL RECOGNISED GAINS AND LOSSES**

The group has no recognised gains or losses other than the profit for the current year and the loss for the previous year.

**TRATOS LIMITED**  
**CONSOLIDATED BALANCE SHEET**  
**31st December 2005**

	Notes	2005 £	2004 £
<b>FIXED ASSETS</b>			
Tangible assets	7	776,897	813,009
Investments	8	-	-
		<u>776,897</u>	<u>813,009</u>
<b>CURRENT ASSETS</b>			
Stocks	9	2,079,674	1,448,610
Debtors	10	1,858,635	2,537,856
Cash at bank and in hand		41,007	5,523
		<u>3,979,316</u>	<u>3,991,989</u>
<b>CREDITORS</b>			
Amounts falling due within one year	11	4,313,041	4,363,054
		<u>(333,725)</u>	<u>(371,065)</u>
<b>NET CURRENT LIABILITIES</b>			
		<u>443,172</u>	<u>441,944</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
<b>CREDITORS</b>			
Amounts falling due after more than one year	12	(142,183)	(180,572)
<b>PROVISIONS FOR LIABILITIES</b>	16	(13,378)	(2,814)
		<u>287,611</u>	<u>258,558</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	100	100
Revaluation reserve	18	171,234	174,878
Profit and loss account	18	116,277	83,580
<b>SHAREHOLDERS' FUNDS</b>	21	<u>287,611</u>	<u>258,558</u>

ON BEHALF OF THE BOARD:

  
.....  
J S Light - Director

Approved by the Board on 04-07-06  
.....



**TRATOS LIMITED**

**COMPANY BALANCE SHEET**  
**31st December 2005**

	Notes	2005 £	2004 £
<b>FIXED ASSETS</b>			
Tangible assets	7	756,363	780,264
Investments	8	76	76
		<u>756,439</u>	<u>780,340</u>
<b>CURRENT ASSETS</b>			
Stocks	9	1,930,286	1,275,434
Debtors	10	1,800,301	2,477,883
Cash in hand		36,586	3,850
		<u>3,767,173</u>	<u>3,757,167</u>
<b>CREDITORS</b>			
Amounts falling due within one year	11	4,161,932	4,181,960
<b>NET CURRENT LIABILITIES</b>		<u>(394,759)</u>	<u>(424,793)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>361,680</b>	<b>355,547</b>
<b>CREDITORS</b>			
Amounts falling due after more than one year	12	(137,964)	(171,936)
<b>PROVISIONS FOR LIABILITIES</b>	16	(11,263)	-
		<u>212,453</u>	<u>183,611</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	100	100
Revaluation reserve	18	171,234	174,878
Profit and loss account	18	41,119	8,633
<b>SHAREHOLDERS' FUNDS</b>	21	<u>212,453</u>	<u>183,611</u>

**ON BEHALF OF THE BOARD:**



.....  
Mr J S Light - Director

Approved by the Board on 04-04-06 .....

The notes form part of these financial statements

## TRATOS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2005

#### 1. ACCOUNTING POLICIES

##### Accounting convention

The financial statements have been prepared under the historical cost convention.

##### Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the group qualifies as a small group.

##### Turnover

Turnover represents net invoiced sales of goods, 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 or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost/valuation
Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 20% on reducing balance and 10% on reducing balance
Motor vehicles	- 25% on reducing balance

##### Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

##### Deferred tax

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

##### Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

##### Pensions

The group operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

#### 2. STAFF COSTS

	2005	2004
	£	£
Wages and salaries	442,396	476,687
Social security costs	56,563	59,311
Other pension costs	25,829	27,503
	<u>524,788</u>	<u>563,501</u>

**TRATOS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the year ended 31st December 2005**

**2. STAFF COSTS - continued**

The average monthly number of employees during the year was as follows:

2005	2004
<u>26</u>	<u>26</u>

**3. OPERATING PROFIT**

The operating profit is stated after charging:

	2005	2004
	£	£
Depreciation - owned assets	45,466	43,719
Depreciation - assets on hire purchase contracts	12,305	16,460
Loss on disposal of fixed assets	1,675	1,520
Auditors' remuneration	<u>9,645</u>	<u>9,010</u>
Directors' emoluments	<u>130,174</u>	<u>115,347</u>

**4. INTEREST PAYABLE AND SIMILAR CHARGES**

	2005	2004
	£	£
Bank interest	569	103
Bank loan interest	11,830	13,712
Interest on parent company debt	20,371	24,373
Invoice discounting interest	25,535	26,826
Hire purchase	<u>5,211</u>	<u>2,502</u>
	<u>63,516</u>	<u>67,516</u>

**5. TAXATION**

**Analysis of the tax charge**

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

	2005	2004
	£	£
Current tax:		
UK corporation tax	<u>6,371</u>	-
Deferred tax:		
Origination and reversal of timing differences	11,263	-
Effect of decreased tax rate on opening liability	(699)	721
Total deferred tax	<u>10,564</u>	<u>721</u>
Tax on profit/(loss) on ordinary activities	<u>16,935</u>	<u>721</u>

**TRATOS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the year ended 31st December 2005**

**5. TAXATION - continued**

**Factors affecting the tax charge**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2005 £	2004 £
Profit/(loss) on ordinary activities before tax	<u>45,988</u>	<u>(51,561)</u>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2004 - 19%)	8,738	(9,797)
Effects of:		
Expenditure not allowable for taxation purposes	5,249	4,576
Depreciation in excess of capital allowances	3,004	(425)
Taxation losses carried forward	-	5,646
Utilisation of advance corporation tax	(59)	-
Utilisation of tax losses	<u>(10,561)</u>	<u>-</u>
Current tax charge	<u>6,371</u>	<u>-</u>

**6. PROFIT OF PARENT COMPANY**

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £28,842 (2004 - £(52,317) loss).

**7. TANGIBLE FIXED ASSETS**

**Group**

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>					
At 1st January 2005	625,000	283,236	171,318	119,149	1,198,703
Additions	-	14,885	1,548	34,599	51,032
Disposals	-	-	-	(49,016)	(49,016)
At 31st December 2005	<u>625,000</u>	<u>298,121</u>	<u>172,866</u>	<u>104,732</u>	<u>1,200,719</u>
<b>DEPRECIATION</b>					
At 1st January 2005	17,554	232,827	106,829	28,485	385,695
Charge for year	10,084	18,954	6,462	22,271	57,771
Eliminated on disposal	-	-	-	(19,644)	(19,644)
At 31st December 2005	<u>27,638</u>	<u>251,781</u>	<u>113,291</u>	<u>31,112</u>	<u>423,822</u>
<b>NET BOOK VALUE</b>					
At 31st December 2005	<u>597,362</u>	<u>46,340</u>	<u>59,575</u>	<u>73,620</u>	<u>776,897</u>
At 31st December 2004	<u>607,446</u>	<u>50,409</u>	<u>64,489</u>	<u>90,664</u>	<u>813,008</u>

**TRATOS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
for the year ended 31st December 2005

**7. TANGIBLE FIXED ASSETS - continued**

**Group**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	<b>Motor vehicles £</b>
<b>COST</b>	
At 1st January 2005	<b>94,404</b>
Additions	<b>17,745</b>
	<hr/>
At 31st December 2005	<b>112,149</b>
	<hr/>
<b>DEPRECIATION</b>	
At 1st January 2005	<b>24,729</b>
Charge for year	<b>12,305</b>
Transfer to ownership	<b>(5,714)</b>
	<hr/>
At 31st December 2005	<b>31,320</b>
	<hr/>
<b>NET BOOK VALUE</b>	
At 31st December 2005	<b>80,829</b>
	<hr/> <hr/>
At 31st December 2004	<b>69,675</b>
	<hr/> <hr/>

**Company**

	<b>Freehold property £</b>	<b>Plant and machinery £</b>	<b>Fixtures and fittings £</b>	<b>Motor vehicles £</b>	<b>Totals £</b>
<b>COST OR VALUATION</b>					
At 1st January 2005	<b>625,000</b>	<b>218,557</b>	<b>167,136</b>	<b>89,850</b>	<b>1,100,543</b>
Additions	<b>-</b>	<b>14,885</b>	<b>1,548</b>	<b>34,599</b>	<b>51,032</b>
Disposals	<b>-</b>	<b>-</b>	<b>-</b>	<b>(36,166)</b>	<b>(36,166)</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31st December 2005	<b>625,000</b>	<b>233,442</b>	<b>168,684</b>	<b>88,283</b>	<b>1,115,409</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>					
At 1st January 2005	<b>17,554</b>	<b>177,983</b>	<b>104,155</b>	<b>20,589</b>	<b>320,281</b>
Charge for year	<b>10,084</b>	<b>16,987</b>	<b>6,311</b>	<b>17,579</b>	<b>50,961</b>
Eliminated on disposal	<b>-</b>	<b>-</b>	<b>-</b>	<b>(12,196)</b>	<b>(12,196)</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31st December 2005	<b>27,638</b>	<b>194,970</b>	<b>110,466</b>	<b>25,972</b>	<b>359,046</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>					
At 31st December 2005	<b>597,362</b>	<b>38,472</b>	<b>58,218</b>	<b>62,311</b>	<b>756,363</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31st December 2004	<b>607,446</b>	<b>40,574</b>	<b>62,981</b>	<b>69,261</b>	<b>780,262</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Included in land and buildings is freehold land valued at £120,800 (2004 - £120,800) which is not depreciated.

**TRATOS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
for the year ended 31st December 2005

**7. TANGIBLE FIXED ASSETS - continued**

**Company**

If freehold land and buildings had not been revalued it would have been included at the following historical cost:

	2005	2004
	£	£
Cost	<u>442,834</u>	<u>442,834</u>

Freehold land and buildings were valued on an open market basis on 14th November 2002 by Bothams Chartered Surveyors.

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	<b>Motor vehicles £</b>
<b>COST OR VALUATION</b>	
At 1st January 2005	<b>65,105</b>
Additions	<b>17,745</b>
	<hr/>
At 31st December 2005	<b>82,850</b>
	<hr/>
<b>DEPRECIATION</b>	
At 1st January 2005	<b>16,833</b>
Charge for year	<b>8,535</b>
Transfer to ownership	<b>(5,714)</b>
	<hr/>
At 31st December 2005	<b>19,654</b>
	<hr/>
<b>NET BOOK VALUE</b>	
At 31st December 2005	<b>63,196</b>
	<hr/>
At 31st December 2004	<b>48,272</b>
	<hr/>

**8. FIXED ASSET INVESTMENTS**

**Company**

	<b>Unlisted investments £</b>
<b>COST</b>	
At 1st January 2005 and 31st December 2005	<b>76</b>
	<hr/>
<b>NET BOOK VALUE</b>	
At 31st December 2005	<b>76</b>
	<hr/>
At 31st December 2004	<b>76</b>
	<hr/>

**TRATOS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
for the year ended 31st December 2005

**8. FIXED ASSET INVESTMENTS - continued**

The group or the company's investments at the balance sheet date in the share capital of companies include the following:

**Subsidiaries**

**Hamilton Cables (East Anglia) Ltd**

Nature of business: dormant

	%
Class of shares:	holding
Ordinary	100.00

The subsidiary has a nil balance sheet value for the years ended 31st December 2005 and 2004.

**Hamilton Cables Limited**

Nature of business: dormant

	%
Class of shares:	holding
Ordinary	100.00

The subsidiary has a nil balance sheet value for the years ended 31st December 2005 and 2004.

**Hamilton Pow-R-Safe Ltd**

Nature of business: distribution of crane & ancillary equipment

	%
Class of shares:	holding
Ordinary	100.00

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Aggregate capital and reserves	<b>75,224</b>	75,013
Profit for the year	<b>23,711</b>	34,235

**9. STOCKS**

	<b>Group</b>		<b>Company</b>	
	<b>2005</b>	<b>2004</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Stocks	<b>2,079,674</b>	1,448,610	<b>1,930,286</b>	1,275,434

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

	<b>Group</b>		<b>Company</b>	
	<b>2005</b>	<b>2004</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	<b>1,788,968</b>	2,501,860	<b>1,651,123</b>	2,367,223
Other debtors	<b>19,002</b>	5,959	<b>18,992</b>	5,959
Amounts owed by group undertakings	<b>-</b>	-	<b>85,215</b>	74,850
Prepayments and accrued income	<b>50,665</b>	30,037	<b>44,971</b>	29,851
	<b>1,858,635</b>	2,537,856	<b>1,800,301</b>	2,477,883

**TRATOS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
for the year ended 31st December 2005

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

	<b>Group</b>		<b>Company</b>	
	<b>2005</b>	<b>2004</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans and overdrafts (see note 13)	<b>312,868</b>	443,400	<b>230,099</b>	357,124
Hire purchase contracts (see note 14)	<b>17,066</b>	26,302	<b>12,649</b>	19,908
Trade creditors	<b>608,228</b>	478,108	<b>581,292</b>	448,161
Tax	<b>6,371</b>	-	-	-
Social security and other taxes	<b>13,541</b>	13,934	<b>13,541</b>	13,684
VAT	<b>194,989</b>	389,079	<b>181,722</b>	379,661
Other creditors	-	10,973	-	-
Amounts owed to group undertakings	<b>2,972,624</b>	2,847,389	<b>2,972,624</b>	2,847,389
Accrued expenses	<b>187,354</b>	153,869	<b>170,005</b>	116,033
	<b><u>4,313,041</u></b>	<b><u>4,363,054</u></b>	<b><u>4,161,932</u></b>	<b><u>4,181,960</u></b>

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

	<b>Group</b>		<b>Company</b>	
	<b>2005</b>	<b>2004</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans (see note 13)	<b>121,665</b>	152,348	<b>121,665</b>	152,348
Hire purchase contracts (see note 14)	<b>20,518</b>	28,224	<b>16,299</b>	19,588
	<b><u>142,183</u></b>	<b><u>180,572</u></b>	<b><u>137,964</u></b>	<b><u>171,936</u></b>

**13. LOANS**

An analysis of the maturity of loans is given below:

	<b>Group</b>		<b>Company</b>	
	<b>2005</b>	<b>2004</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Amounts falling due within one year or on demand:				
Bank overdrafts	<b>284,643</b>	415,175	<b>201,874</b>	328,899
Bank loans	<b>28,225</b>	28,225	<b>28,225</b>	28,225
	<b><u>312,868</u></b>	<b><u>443,400</u></b>	<b><u>230,099</u></b>	<b><u>357,124</u></b>
Amounts falling due between one and two years:				
Bank loans	<b>28,225</b>	28,225	<b>28,225</b>	28,225
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<b>84,675</b>	84,675	<b>84,675</b>	84,675
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans more 5 yr by instal	<b>8,765</b>	39,448	<b>8,765</b>	39,448



TRATOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the year ended 31st December 2005

14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

Group

	Hire purchase contracts	
	2005	2004
	£	£
Gross obligations repayable:		
Within one year	19,627	29,573
Between one and five years	24,215	33,732
	<u>43,842</u>	<u>63,305</u>
Finance charges repayable:		
Within one year	2,561	3,271
Between one and five years	3,697	5,508
	<u>6,258</u>	<u>8,779</u>
Net obligations repayable:		
Within one year	17,066	26,302
Between one and five years	20,518	28,224
	<u>37,584</u>	<u>54,526</u>

Company

	Hire purchase contracts	
	2005	2004
	£	£
Gross obligations repayable:		
Within one year	14,692	22,445
Between one and five years	19,280	24,189
	<u>33,972</u>	<u>46,634</u>
Finance charges repayable:		
Within one year	2,043	2,537
Between one and five years	2,981	4,601
	<u>5,024</u>	<u>7,138</u>
Net obligations repayable:		
Within one year	12,649	19,908
Between one and five years	16,299	19,588
	<u>28,948</u>	<u>39,496</u>

**TRATOS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
for the year ended 31st December 2005

**14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued**

The following operating lease payments are committed to be paid within one year:

**Group**

	<b>Other operating leases</b>	
	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Expiring:		
Within one year	3,780	-
Between one and five years	34,302	30,007
	<u>38,082</u>	<u>30,007</u>

**Company**

	<b>Other operating leases</b>	
	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Expiring:		
Within one year	3,780	-
Between one and five years	30,779	30,007
	<u>34,559</u>	<u>30,007</u>

**15. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>Company</b>	
	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Bank overdrafts	201,874	328,899
Bank loans	149,890	180,573
	<u>351,764</u>	<u>509,472</u>

**16. PROVISIONS FOR LIABILITIES**

	<b>Group</b>		<b>Company</b>	
	<b>2005</b>	<b>2004</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Deferred tax				
Accelerated capital allowances	<u>13,378</u>	<u>2,814</u>	<u>11,263</u>	<u>-</u>

TRATOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the year ended 31st December 2005

16. PROVISIONS FOR LIABILITIES - continued

Group

	Deferred tax £
Balance at 1st January 2005	2,814
Accelerated capital allowances	10,564
	<hr/>
Balance at 31st December 2005	13,378
	<hr/>

Company

	Deferred tax £
Deferred tax	11,263
	<hr/>
Balance at 31st December 2005	11,263
	<hr/>

17. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2005 £	2004 £
100,000	Ordinary	£1	100,000	100,000
			<hr/>	<hr/>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2005 £	2004 £
100	Ordinary	£1	100	100
			<hr/>	<hr/>

# TRATOS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31st December 2005

### 18. RESERVES

#### Group

	Profit and loss account £	Revaluation reserve £	Totals £
At 1st January 2005	83,580	174,878	258,458
Retained profit for the year	29,053	-	29,053
From revaluation reserve	3,644	-	3,644
Transfer	-	(3,644)	(3,644)
At 31st December 2005	<u>116,277</u>	<u>171,234</u>	<u>287,511</u>

#### Company

	Profit and loss account £	Revaluation reserve £	Totals £
At 1st January 2005	8,633	174,878	183,511
Retained profit for the year	28,842	-	28,842
From revaluation reserve	3,644	-	3,644
Transfer	-	(3,644)	(3,644)
At 31st December 2005	<u>41,119</u>	<u>171,234</u>	<u>212,353</u>

### 19. ULTIMATE PARENT COMPANY

The ultimate parent company is Alma Srl, a company registered in Italy

### 20. RELATED PARTY DISCLOSURES

The company traded with Tratos Cavi a company in which Mr Bragagni holds an interest. The trade between the companies, which was on a normal commercial basis consisted of the supply of goods and services. The amounts involved during the year were:

		2005 £	2004 £
Tratos Cavi	purchases	<u>4,565,565</u>	<u>4,089,564</u>

At 31st December 2005 £2,972,624 (2004:£2,847,390) was due to Tratos Cavi.

Mr M Bragagni supplied consulting services during the year amounting to £14,500. At 31st December 2005 £6,000 was still outstanding in respect of these fees.

The ultimate controlling party is Mr A Bragagni a shareholding director of the company who also holds a controlling interest in the ultimate parent company Alma Srl

TRATOS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the year ended 31st December 2005

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

**Group**

	2005	2004
	£	£
Profit/(Loss) for the financial year	<u>29,053</u>	<u>(52,282)</u>
<b>Net addition/(reduction) to shareholders' funds</b>	<b>29,053</b>	<b>(52,282)</b>
Opening shareholders' funds	<u>258,558</u>	<u>310,840</u>
<b>Closing shareholders' funds</b>	<b><u>287,611</u></b>	<b><u>258,558</u></b>
Equity interests	<u>287,611</u>	<u>258,558</u>

**Company**

	2005	2004
	£	£
Profit/(Loss) for the financial year	<u>28,842</u>	<u>(52,317)</u>
<b>Net addition/(reduction) to shareholders' funds</b>	<b>28,842</b>	<b>(52,317)</b>
Opening shareholders' funds	<u>183,611</u>	<u>235,928</u>
<b>Closing shareholders' funds</b>	<b><u>212,453</u></b>	<b><u>183,611</u></b>
Equity interests	<u>212,453</u>	<u>183,611</u>