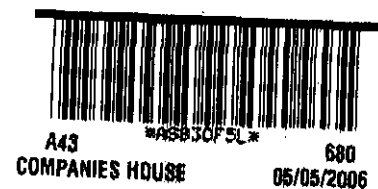


EUROWAVE (UK) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2005



(Company Number 3224189)

EUROWAVE (UK) LIMITED

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EUROWAVE (UK) LIMITED

REPORT OF THE DIRECTOR

FOR THE YEAR ENDED 31 JULY 2005

The Director presents his report together with the accounts for the year ended 31 July 2005.

ACTIVITIES

Its principal activity is that of agent in the business of international marketing and promotion.

DIRECTOR AND HIS INTEREST

The Director who held office during the year and his interest in the shares of the Company at the beginning and end of the financial year was:-

	<u>Ordinary shares of £1 each</u>	
	<u>At beginning of period.</u>	<u>At end of Period</u>
A Elder	Nil	Nil

DIRECTORS RESPONSIBILITIES

Company law requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and of the Profit and Loss of the Company for that year. In preparing those accounts, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Follow applicable accounting standards, subject to material departures disclosed and explained in the accounts;
- Prepare the accounts on a 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 to enable them to ensure that the accounts 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.

CLOSE COMPANY

The Company is a Close Company as defined by the Income and Corporation Taxes Act 1988.

In preparing the above report, the Director has taken advantage of special exemption applicable to small companies.

Signed on behalf of the Board of Directors



T Salamon. Secretary

Dated: This 2nd day of May 2006.

EUROWAVE (UK) LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2005

	Notes	2005 £	2004 £
<u>TURNOVER</u>	1.2	7,633	5,284
Administrative expenses		<u>7,240</u>	<u>4,740</u>
<u>OPERATING PROFIT</u>	3	393	544
Interest and other income received		<u>182</u>	<u>125</u>
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		575	669
<u>TAXATION</u>	4	<u>(0)</u>	<u>(0)</u>
<u>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</u>		575	669
<u>RETAINED PROFIT BROUGHT FORWARD</u>		<u>1,743</u>	<u>1,074</u>
<u>RETAINED PROFIT CARRIED FORWARD</u>		<u>2,318</u>	<u>1,743</u>

CONTINUING OPERATIONS

None of the Company's activities were acquired or discontinued during the above financial year.

TOTAL RECOGNISED GAINS AND LOSSES

The Company has no recognised gains or losses other than those for the above financial year.

EUROWAVE (UK) LIMITED

BALANCE SHEET

AS AT 31 JULY 2005

	Notes	2005 £	2004 £
<u>CAPITAL EMPLOYED</u>			
Investment in joint venture	9	<u>6,094</u>	<u>6,094</u>
<u>CURRENT ASSETS</u>			
Debtors	5	54,213	0
Cash at bank and in hand		<u>1,425</u>	<u>3,244</u>
		55,638	3,244
<u>CREDITORS</u>			
(amount falling due within one year)	6	<u>(59,412)</u>	<u>(7,593)</u>
<u>NET CURRENT (LIABILITIES)</u>		<u>(3,774)</u>	<u>(4,349)</u>
<u>NET ASSETS</u>		<u>2,320</u>	<u>1,745</u>
<u>Financed by:</u>			
<u>CAPITAL AND RESERVES</u>			
Called up share capital	7	2	2
Profit and Loss Account		<u>2,318</u>	<u>1,743</u>
Shareholders funds	8	<u><u>2,320</u></u>	<u><u>1,745</u></u>

The Director considers that the Company is entitled to exemption from the requirement to have an audit under the provisions of Section 2497A(1) of the Companies Act 1985. No Members holding 10% or more of the Company's share capital have issued a notice, under section 249B(2), requiring an audit. The Director acknowledges his responsibility for ensuring that the Company keeps accounting records which comply with Section 221 of the Companies Act 1985, and for preparing accounts which give a true and fair view of the state of affairs of the Company at 31 July 2005 and of its profit for the period then ended in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Companies Act relating to the accounts so far as applicable to the Company.

The Director has taken advantage of special exemptions conferred by Section 8 to the Companies Act 1985 applicable to small companies in the preparation of the accounts and has done so on the grounds that, in his opinion, the Company is entitled to those exemptions.

Approved by the Board on.....

Director.....

EUROWAVE (UK) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2005

1 ACCOUNTING POLICIES

1.1 Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with the applicable accounting standards.

1.2 Turnover

Turnover represents the amount receivable for commission earned on sales and work done, excluding VAT.

1.3 Deferred Taxation

Deferred taxation is not provided for as, in the opinion of the Director, no liability will arise in the foreseeable future.

2 TURNOVER

The turnover and pre-tax Profit are wholly attributable to the Company's main activity.
The turnover arises entirely outside the UK.

3 OPERATING PROFIT

	2005 £	2004 £
This is stated after charging/(crediting):		
Accountancy fees	<u>705</u>	<u>705</u>

4 TAXATION

	2005 £	2004 £
4.1 The tax charge on the Profit on ordinary activities for the year was as follows:		
UK Corporation Tax at 0%(2004:0%)	<u>0</u>	<u>0</u>

4.2 The Company is a Close Company as defined by the Income and Corporation Taxes Act 1988.

5 DEBTORS

	2005 £	2004 £
Trade	0	0
Other	<u>54,213</u>	<u>0</u>
	<u>54,213</u>	<u>0</u>

EUROWAVE (UK) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2005

6 CREDITORS	2005	2004
<u>(amounts falling due within one year)</u>	<u>£</u>	<u>£</u>
Corporation Tax	0	0
Accruals and other creditors	<u>59,412</u>	<u>7,593</u>
	<u>59,412</u>	<u>7,593</u>
7 SHARE CAPITAL	2005	2004
	<u>£</u>	<u>£</u>
<u>Authorised</u>		
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
<u>Issued and fully paid</u>		
Ordinary shares of £1 each	<u>2</u>	<u>2</u>
8 RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS FUNDS		
	2005	2004
	<u>£</u>	<u>£</u>
<u>PROFIT FOR THE FINANCIAL PERIOD</u>	575	669
<u>Opening shareholders funds at 1 August 2004</u>	<u>1,745</u>	<u>1,076</u>
<u>CLOSING SHAREHOLDERS FUNDS</u>		
<u>AT 31 JULY 2005</u>	<u>2,320</u>	<u>1,745</u>
9 INVESTMENT IN JOINT VENTURE		
The Company owned a 4% equity in a Ukrainian - Hungarian - Dutch Joint Venture in the Ukraine. On 2 April 2003, the above Ukrainian company was wound up and the 4% equity lapsed at nil value.		