

TECHNOLOGY ADVANCEMENT LIMITED

Company Registration No: 03188317

DIRECTORS' REPORT

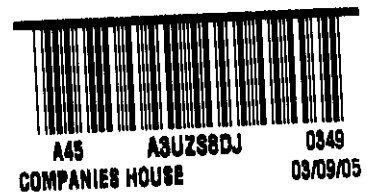
AND

STATEMENT OF ACCOUNTS

30th APRIL 2005

P.A. COOK & CO (OXFORD) LIMITED
Chartered Accountants

Crown House
London Road
Loudwater
High Wycombe
Bucks



TECHNOLOGY ADVANCEMENT LIMITED

DIRECTORS REPORT

30th APRIL 2005

The director has pleasure in attaching his report together with the financial statements for the year ended 30th April 2005.

PRINCIPAL ACTIVITIES

The principal activity of the company is that of Machine Tool Dealers.

DIRECTORS

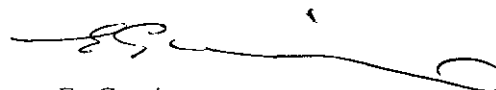
The director who held office during the year together with his beneficial interest in the share capital of the company is as below:

	<u>Ordinary Shares of £1 each</u>	
	<u>30.04.05</u>	<u>01.05.04</u>
E. Guarino	50	50

SMALL COMPANY EXEMPTION

The Director's Report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

BY ORDER OF THE BOARD



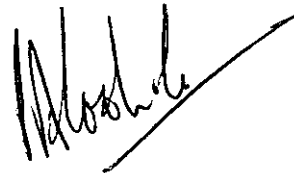
E. Guarino
DIRECTOR

1 Cottage Farm Way
Chapel Hill
Speen
Princes Risborough
Bucks

ACCOUNTANTS REPORT
TO THE DIRECTORS OF
TECHNOLOGY ADVANCEMENT LIMITED

As described on the Balance Sheet you are responsible for the preparation of accounts for the year ended 30th April 2005 set out on pages 3 to 7 and you consider that the company is exempt from an audit and a report under Section 249A(1) of the Companies Act 1985.

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



P.A. Cook & Co (Oxford) Ltd
Chartered Accountants

Crown House
London Road
Loudwater
High Wycombe
Bucks

TECHNOLOGY ADVANCEMENT LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30th APRIL 2005

	Notes	<u>2005</u> £	<u>2004</u> £
TURNOVER	1	132,555	791,166
Cost of Sales		<u>77,605</u> 54,950	<u>683,160</u> 108,006
Administrative Costs		<u>46,208</u> 8,742	<u>31,949</u> 76,057
Other Income	2	<u>1,170</u>	<u>57</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	3	9,912	76,114
Taxation	4	738	(15,130)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>10,650</u>	<u>60,984</u>
Reserves brought forward		132,487	71,503
Dividend Paid		(10,000)	—
RESERVES CARRIED FORWARD		<u>£ 133,137</u>	<u>£ 132,487</u>
30th April 2005			

The Notes to the Financial Statements on pages 5 and 7 form part of these Accounts.

TECHNOLOGY ADVANCEMENT LIMITED

BALANCE SHEET

AS AT 30th APRIL 2005

	<u>Notes</u>	<u>2005</u> £	<u>2004</u> £
<u>FIXED ASSETS</u>	5	2,250	—
<u>CURRENT ASSETS</u>			
Stock	6	123,564	83,537
Debtors	7	38,249	71,242
Cash at Bank		<u>9,165</u>	<u>53,962</u>
		170,978	208,741
<u>CURRENT LIABILITIES</u>			
Creditors			
Due within one year	8	<u>39,991</u>	<u>76,154</u>
		130,987	132,587
<u>NET ASSETS</u>		£ <u>133,237</u>	£ <u>132,587</u>
<u>CAPITAL AND RESERVES</u>			
Called up Share Capital	9	100	100
Retained Profits	10	133,137	132,487
		£ <u>133,237</u>	£ <u>132,587</u>

For the year ended 30th April 2005 the company was entitled to the exemption under section 249A(1) of the Companies Act 1985.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2).

The directors acknowledge his responsibilities for:

- i) ensuring the company keeps accounting records which comply with section 221; and
- ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

APPROVED BY THE BOARD ON.....*31/7/2005*.....

E. Guarino  DIRECTOR

The Notes to the Financial Statements on pages 5 and 7 form part of these accounts

TECHNOLOGY ADVANCEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30th APRIL 2005

The principal accounting policies which are adopted in the preparation of the financial statements are set out below.

1 BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention and as a going concern basis.

TURNOVER

Turnover represents net invoiced sales, exclusive of Valued Added Tax.

	<u>2005</u>	<u>2004</u>
	£	£
Customers in United Kingdom	56,930	333,440
Customers in Continental Europe	<u>75,625</u>	<u>457,726</u>
	£ <u>132,555</u>	£ <u>791,166</u>

Sales to customers in Continental Europe were made in sterling £ Nil (2004 £144,000) and £75,625 (2004 £313,726) invoiced in euros and converted to sterling at rates appropriate to the date of invoice.

DEPRECIATION

Depreciation of fixed assets is provided at rates sufficient to write off the cost of the asset over its expected useful life.

2 OTHER INCOME

	<u>2005</u>	<u>2004</u>
	£	£
Other Income represents:		
Bank Interest Received	212	57
Currency Profits	958	-

3 PROFIT ON ORDINARY ACTIVITIES

	<u>2005</u>	<u>2004</u>
	£	£
Profit on ordinary activities before		
Taxation include:-		
Directors Remuneration	7,200	-
Loss on currency receipts from sales	-	3,757
Depreciation	<u>750</u>	<u>-</u>

4 TAXATION

No liability to UK Corporation Tax arises on the results of the year.

	<u>2005</u>	<u>2004</u>
	£	£
The Profit and Loss Account charge is		
made up of:		
Liability for result of the year	-	15,200
over provisions in previous year	(<u>738</u>)	(<u>70</u>)
Profit and Loss	£(<u>738</u>)	£ <u>15,130</u>

TECHNOLOGY ADVANCEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30th APRIL 2005

5 FIXED ASSETS

Motor Vehicle

At Cost

Acquisition in period

Less: Depreciation for the period

NET BOOK VALUE 30th April 2005

£

3,000

750

£ 2,250

6 STOCK

Stock represents the value of machines held as trading stock valued at the lower of cost, or net realisable value.

7 DEBTORS

2005

2004

£

£

Trade Debtors

35,789

71,242

Other Debtors and Prepayments

2,460

-

£ 38,249

£ 71,242

8 CREDITORS

2005

2004

£

£

Due within one year:

Directors Loan

989

989

Trade Creditors

18,385

10,832

Other Creditors

20,617

49,133

Corporation Tax

-

15,200

£ 39,991

£ 76,154

The Directors Loan is interest free and repayable on demand.

Other Creditors include £15,000 payable to a business owned by E. Guarino and which is a plant and machine trading business.

9 CALLED UP SHARE CAPITAL

2005

2004

£

£

Authorised:

Ordinary Shares of £1 each

£ 1,000

£ 1,000

Allotted, Called up and Fully Paid:

Ordinary Shares of £1 each

£ 100

£ 100

10 RETAINED PROFITS

Balance brought forward

132,487

71,503

Net Profit after Taxation

10,650

60,984

Dividend Paid

(10,000)

-

Retained Profits carried forward

£ 133,137

£ 132,487

TECHNOLOGY ADVANCEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30th APRIL 2005

11 RELATED PARTY TRANSACTIONS

As stated in Note 8, E. Guarino operates a business similar in nature to that of Technology Advancement Limited.

During the year sales to the value of £6,000 (2004 £263,250) and purchases to the value of £nil (2004 £30,130) were made with this other business, which also provides office accommodation overheads and clerical services for Technology Advancement Limited and for which a Management Charge of £15,000 has been made in this period.

Debtors include £nil (2004 £47,060) due from a business operated by E. Guarino and are for goods supplied by Technology Advancement Limited.